

EXHIBIT AB

**(Ex. 44 to the Hughes Declaration,
originally filed as ECF 13010-25)**
- Part 1

EXHIBIT 44

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Ahlberg, Timothy H. - Vol. II

April 23, 2020

225

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO

----- X
In re: :
THE FINANCIAL OVERSIGHT : PROMESA
AND MANAGEMENT BOARD : TITLE III
FOR PUERTO RICO, :
as representative of : Case No.
THE COMMONWEALTH OF : 17 BK 3283-LTS
PUERTO RICO, :
Debtor. :
----- X
In re: :
THE FINANCIAL OVERSIGHT : PROMESA
AND MANAGEMENT BOARD : TITLE III
FOR PUERTO RICO, :
as representative of : Case No.
THE COMMONWEALTH OF : 17 BK 3567-LTS
PUERTO RICO, et al., :
Debtor. :
----- X VOL. II OF II

Videotaped deposition of TIMOTHY H.
AHLBERG, conducted virtually, pursuant to
continuance, reported stenographically by
Cynthia J. Conforti, CSR, RPR, CRR, commencing
at the hour of 9:46 a.m. CST, on the 23rd day
of April, 2020.

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<p style="text-align: center;">226</p> <p>1 A P P E A R A N C E S: 2 FOR THE FINANCIAL OVERSIGHT AND MANAGEMENT 3 BOARD FOR PUERTO RICO, as representative of the 4 COMMONWEALTH OF PUERTO RICO: 5 PROSKAUER ROSE LLP 6 Eleven Times Square (Eighth Avenue & 41st Street) 7 New York, New York 10036-8299 212.969.3000 8 BY: DAVID A. MUNKITTRICK, ESQ. dmunkittrick@proskauer.com MICHAEL T. MERVIS, ESQ. mmervis@proskauer.com 9 10 BY: ELLIOT STEVENS, ESQ. estevens@proskauer.com One International Place 11 Boston, Massachusetts 02110-2600 617.526.9600 12 13 FOR AMBAC ASSURANCE CORPORATION: 14 MILBANK LLP 15 55 Hudson Yards New York, New York 10001-2163 212.530.5000 16 BY: CAELAINN CARNEY, ESQ. ccarney@milbank.com WILL DENKER, ESQ. wdenker@milbank.com 17 JOHN HUGHES, ESQ. jughes2@milbank.com KEVIN MAGGIO, ESQ. 20 kmaggio@milbank.com GRANT MAINLAND, ESQ. 21 gmainland@milbank.com DAVID MARCOU, ESQ. 22 dmarcou@milbank.com ATARA MILLER, ESQ. 23 amiller@milbank.com ALEXANDRA PASLAWSKY, ESQ. 24 apaslawsky@milbank.com KEVIN WESTERMAN, ESQ. 25 kwesterman@milbank.com</p>	<p style="text-align: center;">228</p> <p>1 A P P E A R A N C E S: (Continued) 2 3 ON BEHALF OF ASSURED GUARANTY CORP. and ASSURED 4 GUARANTY MUNICIPAL CORP.: 5 CADWALADER, WICKERSHAM & TAFT LLP 200 Liberty Street New York, New York 10281 212.504.6000 6 BY: THOMAS J. CURTIN, ESQ. thomas.curtin@cwt.com BILL NATBONY, ESQ. bill.natbony@cwt.com CASEY JOHN SERVAIS, ESQ. casey.servais@cwt.com JACLYN A. HALL, ESQ. jaclyn.hall@cwt.com 11 12 FOR FINANCIAL GUARANTY INSURANCE COMPANY: 13 14 BUTLER SNOW LLP The Pinnacle at Symphony Place Suite 1600 15 150 3rd Avenue South Nashville, Tennessee 37201 615.651.6700 16 BY: JASON W. CALLEN, ESQ. jason.callen@butlersnow.com 17 BY: ADAM M. LANGLEY, ESQ. adam.langley@butlersnow.com 18 6075 Poplar Avenue Suite 500 19 Memphis, Tennessee 38119 901.680.7200 20 21 22 23 24 25</p>
<p style="text-align: center;">227</p> <p>1 A P P E A R A N C E S: (Continued) 2 3 FOR NATIONAL PUBLIC FINANCE GUARANTEE CORP.: 4 5 WEIL GOTSHAL & MANGES LLP 6 767 Fifth Avenue New York, New York 10153-0119 212.310.8000 6 BY: ROBERT S. BEREZIN, ESQ. robert.berzin@weil.com CHRISTINE CALABRESE, ESQ. christine@calabrese@weil.com 8 GASPARD RAPPORPORT, ESQ. gaspard.rappor@weil.com 9 10 FOR THE PUERTO RICO FISCAL AGENCY AND FINANCIAL ADVISORY AUTHORITY: 11 12 O'MELVENY & MYERS LLP 13 610 Newport Center Drive 17th Floor Newport Beach, California 92660 949.823.6900 14 BY: ELIZABETH L. McKEEN, ESQ. emckeen@omm.com ASHLEY PAVEL, ESQ. apavel@omm.com 15 610 Newport Center Drive 17th Floor Newport Beach, California 92660 949.823.6900 16 - also - 17 MARINI PIETRANTONI MUÑIZ LLC 250 Avenue Ponce de Leon Suite 900 18 San Juan, Puerto Rico 00918 787.705.2171 19 BY: IVÁN GARAU GONZÁLEZ, ESQ. lgarau@mpmlawpr.com 20 21 22 23 24 25</p>	<p style="text-align: center;">229</p> <p>1 A P P E A R A N C E S: (Continued) 2 3 FOR CANTOR-KATZ COLLATERAL MONITOR LLC, as Collateral Monitor for GDB DEBT RECOVERY AUTHORITY: 4 5 ORRICK, HERRINGTON & SUTCLIFFE LLP 51 W 52nd Street 6 New York, New York 10019 212.506.5000 7 BY: DAVID LITTERINE-KAUFMAN, ESQ. dlitterinekaufman@orrick.com 8 9 FOR THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS: 10 11 PAUL HASTINGS LLP 12 MetLife Building 200 Park Avenue New York, New York 10166 212.318.6000 13 BY: ZACHARY S. ZWILLINGER, ESQ. zacharyzwillinger@paulhastings.com 14 15 FOR AMERINATIONAL COMMUNITY SERVICES, LLC, as servicer for the GDB DEBT RECOVERY AUTHORITY: 16 MCCONNELL VALDÉS LLC 270 Muñoz Rivera Avenue Hato Rey, Puerto Rico 00918 787.759.9292 17 BY: NAYUAN ZOUAIRABANI TRINIDAD, ESQ. nzt@mcvpr.com 18 ALSO PRESENT: 19 Hira Baig, Weil Gotshal & Manges LLP Lou Testani, Milbank LLP 20 Alexander Whitlaw, Weil Gotshal & Manges LLP Anthony Micheletto, Videographer 21 22 23 24 25</p>

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<p style="text-align: center;">234</p> <p>1 PRODUCTION REQUESTS 2 Page 432, Line 19: 3 "MS. MILLER: Okay. Well, I'm going to 4 call for the production of any such documents 5 that the Commonwealth intends to rely on as 6 evidence that the account that you're going to 7 tell me is the transfer account is in fact the 8 transfer account." 9 10 Page 486, Line 17: 11 MS. MILLER: "So I'm going to call on the 12 record for the production of any such documents 13 that you've seen that you're relying on for 14 your testimony that the 5144 account is the 15 surplus account or that the Commonwealth 16 otherwise intends to rely on."</p>	<p style="text-align: center;">236</p> <p>1 (Witness previously sworn.) 2 TIMOTHY H. AHLBERG, 3 having been duly sworn, was examined and 4 testified further as follows: 5 EXAMINATION 6 BY MS. MILLER: 7 Q. Good morning, Mr. Ahlberg. I am 8 Atara Miller, and I'm from Milbank, and I'm 9 counsel for Ambac Assurance Corporation in this 10 matter. I'll be asking questions today 11 relating to PRIFAS and CCDA Flow of Funds, and 12 I'm asking questions on behalf of all of the 13 defendants here. I guess I'll open with that 14 here, I should say. 15 So as the videographer indicated, 16 Mr. Ahlberg, do you understand that you're 17 still under oath today? 18 A. Yes. 19 Q. And you understand that the 20 testimony that you're giving has the same 21 weight and effect as if you were giving it in a 22 court of law, correct? 23 A. Yes. 24 Q. And the instructions that 25 Mr. Natbony gave you yesterday will continue,</p>
<p style="text-align: center;">235</p> <p>1 THE VIDEOGRAPHER: We are now on 2 the record. Welcome to the continuing 3 deposition of Timothy Ahlberg. My name is 4 Anthony Micheletto. I am the videographer and 5 conference call host for Henderson Legal 6 Services. 7 Today's date is April 23, 2020. 8 The time is 9:46 a.m., Central time. 9 It is my understanding that there 10 are approximately 44 attorneys attending 11 telephonically. To keep instructions at a 12 minimum, I will be muting all telephones except 13 the witness, taking attorney, and opposing 14 counsel whom will dial *6 so they can be heard. 15 In addition, if you are not 16 speaking, please make sure you turn off your 17 camera on LiveLitigation. You should receive 18 the video stream through your computer and 19 audio through your phone. Periodically, during 20 the break, I will communicate to everyone how 21 long we have been on the record. Our court 22 reporter today is Cynthia Conforti. 23 Mr. Ahlberg, you are still under 24 oath. 25 Counsel, you may proceed.</p>	<p style="text-align: center;">237</p> <p>1 but I'm just going to remind you of two 2 critical ones, particularly as we are taking 3 this by video. 4 The first one is to be sure not to 5 talk over each other. The court reporter, 6 especially on video, is going to have a hard 7 time recording what you're saying. So I'm 8 going to wait for you to finish answering the 9 question before I ask the next question. I'm 10 going to ask you to wait for me to finish 11 asking the question before you start answering. 12 Is that okay? 13 A. Okay. 14 MS. McKEEN: I'm having a 15 little -- I'm having a little trouble hearing 16 you. Can you maybe position your phone closer 17 or turn up the volume on your -- your phone? 18 I can hear Atara just fine. 19 THE WITNESS: Is that any better? 20 MS. McKEEN: It is. Thank you. 21 BY MS. MILLER: 22 Q. At any time today, if you'd like 23 to take a break, I am happy to take one, but I 24 am going to ask you to answer any question 25 that's pending before we take a break. But</p>

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<p>1 otherwise, if you want a break, I'll take one 09:48:18 2 at the next convenient point. Is that okay? 09:48:20 3 A. Okay. 09:48:23 4 Q. You testified multiple times on 09:48:25 5 Tuesday that in your mind, Funds don't have 09:48:28 6 balances. Do you recall that? 09:48:33 7 MS. McKEEN: Objection to the form. 09:48:37 8 THE WITNESS: I do recall saying 09:48:40 9 that I don't think about Fund numbers in that 09:48:41 10 way. 09:48:46 11 BY MS. MILLER: 09:48:46 12 Q. Okay. When you say "Fund 09:48:49 13 numbers," what do you mean?" 09:48:52 14 A. Numbers that correspond with 09:48:56 15 different Funds within the PRIFAS system. 09:48:59 16 Q. Okay. So let me ask you so the 09:49:02 17 record's clear. 09:49:06 18 Mr. Ahlberg, in your opinion, do 09:49:07 19 Funds have balances? 09:49:11 20 MS. McKEEN: Objection to the form 09:49:13 21 of the question. 09:49:14 22 UNIDENTIFIED SPEAKER: Objection. 09:49:19 23 THE WITNESS: I don't typically 09:49:21 24 think about Funds as having balances. 09:49:22 25</p>	<p>1 BY MS. MILLER: 09:50:24 2 Q. Okay. So to the best of your 09:50:26 3 knowledge, do other people within Treasury in 09:50:28 4 Puerto Rico think about Funds as having 09:50:30 5 balances? 09:50:32 6 MS. McKEEN: Objection. 09:50:34 7 THE WITNESS: Again, I can't 09:50:42 8 speculate what every person may or may not 09:50:45 9 believe about that concept. 09:50:48 10 BY MS. MILLER: 09:50:49 11 Q. I didn't ask you to speculate. I 09:50:49 12 asked you whether to the best of your personal 09:50:51 13 knowledge, other people within Treasury in 09:50:53 14 Puerto Rico think about Funds as having 09:50:57 15 balances. 09:50:58 16 MS. McKEEN: Objection. 09:50:59 17 THE WITNESS: It's not typically 09:51:05 18 how me or others think about Funds. 09:51:06 19 BY MS. MILLER: 09:51:06 20 Q. Okay. And when you say "others," 09:51:09 21 who are you referring to? 09:51:12 22 A. Just generally others within the 09:51:20 23 Department of Treasury. 09:51:21 24 Q. And when you say "typically," do 09:51:22 25 you sometimes think about Funds as having 09:51:24</p>
<p style="text-align: center;">239</p> <p>1 BY MS. MILLER: 09:49:22 2 Q. Is it your testimony that Funds 09:49:26 3 within the Commonwealth accounting system do 09:49:27 4 not have balances? 09:49:31 5 MS. McKEEN: Objection. 09:49:37 6 THE WITNESS: I don't think about 09:49:39 7 Funds having balances within the TSA account. 09:49:40 8 BY MS. MILLER: 09:49:40 9 Q. Okay. So it's a yes-or-no 09:49:45 10 question. I'm not asking you about how you 09:49:46 11 think about it. I'm asking you whether it is 09:49:48 12 your testimony that Funds within the 09:49:52 13 Commonwealth accounting system do not have 09:49:54 14 balances. 09:49:56 15 MS. McKEEN: Objection. 09:50:02 16 THE WITNESS: It is my testimony 09:50:02 17 that I don't think about Funds having balances 09:50:03 18 within bank accounts. 09:50:07 19 BY MS. MILLER: 09:50:07 20 Q. Does that mean that they don't 09:50:11 21 have balances? 09:50:14 22 MS. McKEEN: Objection. 09:50:17 23 THE WITNESS: It means that that's 09:50:22 24 not the way that I think about them. 09:50:24 25</p>	<p style="text-align: center;">241</p> <p>1 balances? 09:51:26 2 A. I don't think about Funds having 09:51:33 3 balances. 09:51:34 4 Q. Okay. So it's your testimony that 09:51:35 5 Funds do not have balances, right? 09:51:36 6 MS. McKEEN: Objection. 09:51:40 7 UNIDENTIFIED SPEAKER: Objection. 09:51:43 8 THE WITNESS: I don't think about 09:51:46 9 Funds having balances within bank accounts. 09:51:48 10 BY MS. MILLER: 09:51:48 11 Q. Okay. But you're not willing to 09:51:51 12 say that they don't have balances, are you? 09:51:52 13 MS. McKEEN: Objection. 09:51:54 14 THE WITNESS: That's not how I 09:52:01 15 think about Funds having balances within bank 09:52:03 16 accounts. 09:52:06 17 BY MS. MILLER: 09:52:06 18 Q. I got it. That's not how you 09:52:07 19 think about it. 09:52:08 20 But my question to you is that you 09:52:09 21 are not willing to say unequivocally that Funds 09:52:11 22 do not have balances, right? You cannot say 09:52:14 23 that. 09:52:17 24 25</p>

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<p style="text-align: center;">242</p> <p>1 MS. McKEEN: Objection to the form 09:52:18 2 of the question. 09:52:19 3 BY MS. MILLER: 09:52:19 4 Q. Okay. Let me ask another 09:52:22 5 question. 09:52:23 6 Mr. Ahlberg, can you testify 09:52:24 7 unequivocally that Funds within the TSA do not 09:52:26 8 have balances? 09:52:29 9 A. I don't think about Funds having 09:52:39 10 balances within bank accounts. 09:52:41 11 Q. I'm going to ask you for a 09:52:45 12 yes-or-no answer to my question. It's a simple 09:52:47 13 yes-or-no question. I'm going to ask it again. 09:52:49 14 I want a yes or a no. If you need to just 09:52:51 15 explain after, I'd be happy to ask you for an 09:52:55 16 explanation, but I'd like a yes or no, okay? 09:52:57 17 Do you understand that? 09:52:59 18 MS. McKEEN: Objection. What 09:53:01 19 you're demanding doesn't dictate what his 09:53:04 20 response needs to be. He may not think of it 09:53:08 21 as a yes-or-no question no matter how many 09:53:10 22 times you ask it that way. 09:53:13 23 BY MS. MILLER: 24 Q. Mr. Ahlberg, can you testify 09:53:15 25 unequivocally that Funds within the TSA do not 09:53:17</p>	<p style="text-align: center;">244</p> <p>1 audited financial statements did you review in 09:54:58 2 connection with your testimony today? 09:55:00 3 A. Having reviewed hundreds of 09:55:05 4 documents in preparation for this deposition, I 09:55:07 5 can't recall the exact sections of audited 09:55:09 6 financial statements I may have reviewed. 09:55:12 7 Q. What sections generally did you 09:55:15 8 review? 09:55:18 9 A. I can't recall any specific 09:55:24 10 sections other than general review of the 09:55:26 11 document. 09:55:29 12 Q. How did you look at the audited 09:55:30 13 financials? 09:55:34 14 A. It would not be out of the 09:55:39 15 ordinary course of my daily job function to 09:55:40 16 occasionally look at audited financials. 09:55:44 17 Q. I know. You told me that you 09:55:47 18 looked at them in connection with your 09:55:49 19 preparation for your deposition today, so I'm 09:55:50 20 asking do you -- why, in preparing for your 09:55:53 21 deposition today, did you look at the audited 09:55:55 22 financials for the Commonwealth? 09:55:57 23 A. In order to prepare for the 09:56:13 24 deposition -- 25 Q. Okay. 09:56:15</p>
<p style="text-align: center;">243</p> <p>1 have balances? 09:53:19 2 MS. McKEEN: Objection. 09:53:20 3 THE WITNESS: I do not think about 09:53:26 4 Funds as having balances within the TSA. 09:53:27 5 BY MS. MILLER: 6 Q. Can you tell me why you can't give 09:53:32 7 me a yes-or-no answer to that question? 09:53:34 8 A. I cannot give you a yes-or-no 09:53:50 9 answer to that question because that's not how 09:53:52 10 I think about Funds. 09:53:56 11 Q. Mr. Ahlberg, have you ever looked 09:54:07 12 at the audited financial statements for the 09:54:08 13 Commonwealth? 09:54:10 14 A. I have seen financial statements 09:54:19 15 of the Commonwealth. 09:54:20 16 Q. Have you ever seen the audited 09:54:24 17 financial statements for the Commonwealth? 09:54:37 18 A. I have seen audited financial 09:54:37 19 statements of the Commonwealth. 09:54:39 20 Q. Did you review audited financial 09:54:40 21 statements of the Commonwealth in preparation 09:54:42 22 for your testimony today? 09:54:44 23 A. I did review certain portions of 09:54:50 24 audited financial statements. 09:54:53 25 Q. Okay. So what portions of the 09:54:56</p>	<p style="text-align: center;">245</p> <p>1 A. -- (indiscernible.) 09:56:17 2 Q. Okay. And so in preparing for the 09:56:22 3 deposition, what did you think was going to be 09:56:23 4 relevant in the audited financial statement? 09:56:25 5 MS. McKEEN: I'll object to the 09:56:31 6 extent that, Mr. Ahlberg, you can -- you can 09:56:31 7 answer the question unless it would require you 09:56:36 8 to divulge communications that you had with 09:56:38 9 counsel. You can answer the question as long 09:56:42 10 as you're not revealing attorney-client 09:56:47 11 (indiscernible). 09:56:47 12 THE REPORTER: I'm sorry, "as long 09:56:47 13 as you're not"? 09:56:47 14 THE WITNESS: That said, would you 09:56:56 15 mind repeating the question? 09:56:57 16 BY MS. MILLER: 17 Q. Sure. My question was: 09:56:59 18 And so in preparing for the 09:57:05 19 deposition, what did you think was going to be 09:57:06 20 relevant in the audited financial statement? 09:57:09 21 MS. McKEEN: Objection to the form 09:57:14 22 of the question. 09:57:14 23 THE WITNESS: I don't think I can 09:57:29 24 answer without revealing privileged 09:57:30 25 conversations. 09:57:32</p>

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1 BY MS. MILLER:	09:57:33	1 the record.)	09:59:36
2 Q. Okay. So your testimony is that	09:57:33	2 BY MS. MILLER:	09:59:38
3 you only looked at the audited financial	09:57:35	3 Q. Okay. I want to -- can we mark	09:59:38
4 statement because your lawyers told you to; is	09:57:38	4 the Commonwealth of Puerto Rico basic financial	09:59:42
5 that right?	09:57:40	5 statements that are required supplementary	09:59:45
6 MS. McKEEN: Objection.	09:57:40	6 information dated June 30, 2016, with	09:59:47
7 THE WITNESS: That's not what I	09:57:47	7 independent auditor's report thereon, which was	09:59:51
8 said.	09:57:47	8 Bates-stamped COMMONWEALTH_STA 0010186.	09:59:56
9 BY MS. MILLER:	09:57:47	9 And it's a large document, so	09:59:58
10 Q. Okay. Well, that's the only basis	09:57:48	10 we're going to mark it as Monolines Exhibit 19A	10:00:00
11 to not answer the question.	09:57:50	11 and Exhibit 19B so that we can avoid some of	10:00:03
12 So if you have other -- another	09:57:51	12 the system delay issues we had yesterday.	10:00:08
13 answer, I'm happy to take it now and ask the	09:57:53	13 So it's just the document split.	10:00:11
14 question again.	09:57:59	14 19A is up right now, or was up, and we'll have	10:00:13
15 MS. McKEEN: Objection.	09:58:00	15 19B if you want to flip through more of it.	10:00:20
16 Atara, he's given you an answer.	09:58:01	16 MS. MILLER: Kevin, can you put	10:00:27
17 It's argumentative.	09:58:04	17 19A back up on the screen, please?	10:00:30
18 MS. MILLER: He really hasn't.	09:58:04	18 BY MS. MILLER:	10:00:30
19 Actually, I don't think he's answered a single	09:58:08	19 Q. Mr. Ahlberg, while we are waiting	10:00:41
20 question that I've asked him yet today, so I'm	09:58:11	20 for the exhibit to get back up on the screen,	10:00:43
21 doing to continue making my record, and I'm	09:58:14	21 Funds refer to specific portions of cash in the	10:00:46
22 going to go to Judge Dein if I can't start	09:58:17	22 TSA; isn't that right?	10:00:48
23 getting answers. So if you think this is how	09:58:19	23 MS. McKEEN: Objection.	10:00:50
24 we're going and you think that's an answer, we	09:58:21	24	
25 will have to fight it out with the judge. No,	09:58:22	25	
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1 he has not given me an answer to my question.	09:58:24	1 THE WITNESS: Can you repeat the	10:01:03
2 MS. McKEEN: Atara, I --	09:58:26	2 question?	10:01:04
3 BY MS. MILLER:	09:58:26	3 BY MS. MILLER:	10:01:04
4 Q. My -- my question is,	09:58:29	4 Q. Do Funds refer to specific	10:01:06
5 Mr. Ahlberg --	09:58:30	5 portions of cash in the TSA?	10:01:08
6 MS. McKEEN: Atara, I was talking.	09:58:32	6 A. Depends on how you use the word	10:01:19
7 If you could not cut me off, that would be	09:58:33	7 "Funds."	10:01:23
8 great. I disagree with your characterization	09:58:35	8 Q. Okay. Has the word "Fund," as	10:01:23
9 of the record and the witness's testimony thus	09:58:37	9 used in the Commonwealth accounting, does it	10:01:26
10 far today.	09:58:39	10 refer to specific portions of moneys in the	10:01:28
11 BY MS. MILLER:	09:58:39	11 TSA?	10:01:30
12 Q. Mr. Ahlberg, did you have any	09:58:46	12 MS. McKEEN: Objection.	10:01:33
13 independent reason other than your lawyers	09:58:49	13 THE WITNESS: Funds do not	10:01:42
14 telling you to look at the financial statements	09:58:52	14 identify cash balances within the TSA.	10:01:43
15 to review the audited financial statements in	09:58:54	15 BY MS. MILLER:	10:01:43
16 preparation for your deposition today?	09:58:59	16 Q. Okay. That wasn't my question.	10:01:48
17 A. No. But as I mentioned, I	09:59:09	17 My question is:	10:01:50
18 occasionally review financial statements in the	09:59:11	18 Are Funds associated with specific	10:01:52
19 ordinary course of my business.	09:59:14	19 amounts of money in the TSA?	10:01:56
20 Q. You reviewed them in connection	09:59:17	20 MS. McKEEN: Objection.	10:02:00
21 with your -- the preparation for your	09:59:19	21 That wasn't your question. If you	10:02:01
22 deposition today, right?	09:59:21	22 want to rephrase it, you can.	10:02:03
23 A. Yes.	09:59:36	23 BY MS. MILLER:	10:02:03
24 (Monolines Exhibit 19A and	09:59:36	24 Q. Can you answer that question?	10:02:13
25 Exhibit 19B are introduced for	09:59:36	25 A. Could you repeat it?	10:02:20

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<p style="text-align: center;">250</p> <p>1 Q. Are Funds associated with 10:02:22 2 particular amounts of money in the TSA? 10:02:25 3 A. Funds are not associated with cash 10:02:35 4 balances within the TSA. 10:02:37 5 Q. What are Funds associated with in 10:02:41 6 the TSA? 10:02:42 7 A. Funds are used to record revenue. 10:02:59 8 Q. Revenues in the TSA, right? 10:03:07 9 A. Revenues that results in cash 10:03:12 10 receipts deposited into the TSA. 10:03:15 11 Q. How is that different from what I 10:03:19 12 said? 10:03:21 13 MS. McKEEN: Object to the form. 10:03:25 14 THE WITNESS: An inherent 10:03:29 15 difference between earned revenue and cash 10:03:31 16 receipts. 10:03:33 17 BY MS. MILLER: 10:03:33 18 Q. All right. So can there be cash 10:03:40 19 that's not also revenue? 10:03:42 20 A. The... 10:03:58 21 Are you asking in the Commonwealth 10:04:10 22 if there exists noncash revenue streams? 10:04:12 23 Q. No. My question was the opposite. 10:04:17 24 My question is: 10:04:19 25 Is all cash also revenue? 10:04:19</p>	<p style="text-align: center;">252</p> <p>1 THE WITNESS: I said what I said. 10:05:39 2 BY MS. MILLER: 3 Q. So Funds and Fund numbers do 10:05:45 4 represent specific revenues into the TSA, 10:05:48 5 right? 10:05:53 6 A. Fund numbers can be used to track 10:05:54 7 earned revenues. 10:05:56 8 Q. Okay. And can earned revenues 10:05:59 9 also result in cash in the TSA? 10:06:03 10 A. Earned revenues -- earned revenues 10:06:13 11 that turn into cash receipts may -- may be 10:06:20 12 deposited into the TSA. 10:06:26 13 Q. And may be allocated to the same 10:06:28 14 Fund numbers, correct? 10:06:30 15 MS. McKEEN: Objection. 10:06:31 16 THE WITNESS: I don't think about 10:06:38 17 allocations of Fund numbers. That doesn't make 10:06:38 18 sense to me. 10:06:41 19 BY MS. MILLER: 10:06:41 20 Q. Okay. It may be tagged with the 10:06:41 21 same Fund numbers, right? 10:06:43 22 MS. McKEEN: Objection. 10:06:46 23 THE WITNESS: Would you specify 10:06:48 24 when? 10:06:49 25</p>
<p style="text-align: center;">251</p> <p>1 A. Not being a CPA, I'm not -- I 10:04:27 2 don't know. 10:04:31 3 Q. Okay. So you're prepared to be 10:04:31 4 really specific about the difference between 10:04:33 5 cash and revenue, because you're not a CPA, so 10:04:38 6 you can't tell me whether there's cash that's 10:04:42 7 not also revenue, right? 10:04:44 8 UNIDENTIFIED SPEAKER: Objection. 10:04:48 9 THE WITNESS: I answered your 10:05:01 10 previous question. 10:05:04 11 Is there another question? 10:05:04 12 BY MS. MILLER: 10:05:05 13 Q. Yeah, that was my question. 10:05:06 14 My question was that you're 10:05:06 15 prepared to be very specific about the 10:05:09 16 difference between cash and revenue, but 10:05:09 17 because you're not a CPA, you can't tell me 10:05:10 18 whether there's cash that's not also revenue; 10:05:12 19 is that right? 10:05:18 20 UNIDENTIFIED SPEAKER: Objection. 10:05:18 21 THE WITNESS: I said what I said 10:05:28 22 in the previous answer. 10:05:29 23 BY MS. MILLER: 10:05:29 24 Q. So that's a yes? 10:05:33 25 MS. McKEEN: Objection. 10:05:35</p>	<p style="text-align: center;">253</p> <p>1 BY MS. MILLER: 10:06:49 2 Q. No. 10:06:52 3 Okay. So the exhibit now, which 10:06:52 4 is Monolines Exhibit 19A. As I mentioned, 19B, 10:06:57 5 Mr. Ahlberg, if you need to look at the second 10:07:03 6 half in order to refer to any of my questions, 10:07:05 7 it's available to you. I believe it's 10:07:08 8 submitted -- a submitted exhibit, although it's 10:07:10 9 not currently part of what's being exhibited, 10:07:12 10 so you should have access to that as well. 10:07:14 11 Do you recognize this document? 10:07:26 12 A. I recognize the cover page of this 10:07:28 13 document. 10:07:30 14 Q. Okay. And did you speak to anyone 10:07:33 15 at Treasury about this document in connection 10:07:35 16 with your deposition today? 10:07:38 17 A. No. 10:07:44 18 Q. Okay. I'd like to turn to the 10:07:45 19 next page of the exhibit, please. And do you 10:07:50 20 see this document identifies that it was 10:08:17 21 prepared by the Puerto Rico Department of the 10:08:19 22 Treasury? Do you see that? 10:08:23 23 A. I see that on the document. 10:08:26 24 Q. You have no reason to dispute 10:08:29 25 that, do you? 10:08:32</p>

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<p>1 Q. Okay. Looking at the financial 10:12:41 2 statements for the Commonwealth, do you see a 10:12:45 3 section called Basic Financial Statements? 10:12:47 4 It's the third line down listed in the 10:12:55 5 contents. 10:12:57</p> <p>6 A. I see where it says Basic 10:12:58 7 Financial Statements. 10:13:03</p> <p>8 Q. And three lines under that, it 10:13:03 9 says Fund Financial Statements. 10:13:05</p> <p>10 Do you see that? 10:13:08</p> <p>11 A. I see that. 10:13:08</p> <p>12 Q. What's your understanding of what 10:13:09 13 Fund Financial Statements are? 10:13:12</p> <p>14 A. Not being a CPA, I don't know the 10:13:25 15 exact definition of Fund Financial Statements. 10:13:27</p> <p>16 Q. I'm just asking for your 10:13:29 17 understanding. 10:13:30</p> <p>18 You mentioned that these 10:13:31 19 are -- this is a document you looked at in 10:13:33 20 connection with your preparation and also a 10:13:35 21 document that you looked at periodically in the 10:13:37 22 ordinary course of business. 10:13:38</p> <p>23 So what is your understanding -- 10:13:40 24 understanding that you're not a CPA, what is 10:13:42 25 your understanding of what Fund Financial 10:13:44</p>	<p>1 hundreds of documents in preparation for this 10:15:34 2 deposition, I don't have the Funds memorized. 10:15:36 3 BY MS. MILLER: 10:15:41</p> <p>4 Q. Do you know -- can you think of 10:15:41 5 any Fund? 10:15:45</p> <p>6 A. It depends on how you're using the 10:15:52 7 term "Funds." 10:15:56</p> <p>8 Q. Well, I'm asking how you 10:15:57 9 understand this term was used in these 10:15:59 10 financial statements. Can you think of any 10:16:01 11 Fund? 10:16:07</p> <p>12 A. I can't think of any off the top 10:16:08 13 of my head, but I'm happy to flip to the Fund 10:16:10 14 section of this document with you. 10:16:13</p> <p>15 Q. Okay. So going down a few lines 10:16:14 16 from Fund Financial Statements in the table of 10:16:20 17 contents, do you see about one, two, 10:16:23 18 three -- well, the next line talks about 10:16:28 19 Government Fund, and it goes through a number 10:16:29 20 of Funds that have Fund Financial Statements 10:16:31 21 contained within these audited financials. 10:16:34</p> <p>22 Do you see that in the table of 10:16:37 23 contents? 10:16:38</p> <p>24 A. I see that. 10:16:38</p> <p>25 Q. Okay. And so the -- I want you to 10:16:39</p>
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<p>1 Statements are? 10:13:46 2 A. My understanding of Fund Financial 10:14:00 3 Statements is that there will be financial 10:14:02 4 statements for Funds. 10:14:05</p> <p>5 Q. And when you say "for Funds," what 10:14:07 6 Funds are we talking about?" 10:14:10</p> <p>7 A. Not being a CPA, I don't know the 10:14:21 8 exact Funds. 10:14:25</p> <p>9 Q. Okay. Well, why does that require 10:14:28 10 being a CPA to answer? 10:14:30</p> <p>11 A. Not being a CPA, I think that 10:14:47 12 there are specific definitions for those terms 10:14:50 13 that I do not want to mischaracterize, not 10:14:55 14 being a CPA. 10:14:57</p> <p>15 Q. Okay. So I understand that you're 10:14:59 16 not a CPA, and that's pretty clear on the 10:15:01 17 record so far. So when I ask you questions, 10:15:04 18 it's all going to be based on your 10:15:07 19 understanding, which is recognizing that you 10:15:08 20 are not a CPA, okay? 10:15:10</p> <p>21 So what's your understanding of 10:15:12 22 what Funds are included? 10:15:14</p> <p>23 MS. McKEEN: Objection to the form 10:15:22 24 of the question. 10:15:23</p> <p>25 THE WITNESS: Having reviewed 10:15:31</p>	<p>1 just look at the third entry. It says: 10:16:43 2 Statement of revenue, expenditures 10:16:46 3 and changes in Fund balance. 10:16:48</p> <p>4 Do you see that? 10:16:52</p> <p>5 A. Yes, I see it. 10:16:52</p> <p>6 Q. Do you have an understanding of 10:16:54 7 what "changes in Fund balance" means? 10:16:55</p> <p>8 A. Without reviewing page 40 of this 10:17:04 9 document, I can't say for certain. 10:17:06</p> <p>10 Q. Okay. Do you have some basic 10:17:11 11 accounting knowledge? 10:17:13</p> <p>12 A. I do have some basic accounting 10:17:20 13 knowledge. 10:17:22</p> <p>14 Q. How many accounting classes have 10:17:23 15 you taken? 10:17:25</p> <p>16 A. I can't recall the exact amount of 10:17:29 17 accounting classes I've taken. 10:17:31</p> <p>18 Q. More than one? 10:17:33</p> <p>19 A. Yes. 10:17:33</p> <p>20 Q. More than two? 10:17:37</p> <p>21 A. Yes. 10:17:39</p> <p>22 Q. More than three? 10:17:41</p> <p>23 A. Yes. 10:17:46</p> <p>24 Q. More than four? 10:17:46</p> <p>25 A. Yes. 10:17:48</p>

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<p>1 Q. More than five? 10:17:49</p> <p>2 A. I think so, but I'm not positive. 10:17:56</p> <p>3 As I mentioned, I can't recall the exact 10:17:59</p> <p>4 amount. 10:18:00</p> <p>5 Q. Okay. And so you've taken at 10:18:01</p> <p>6 least five accounting courses; is that right? 10:18:04</p> <p>7 A. Yes. 10:18:10</p> <p>8 Q. And were all of those at post high 10:18:11</p> <p>9 school level? 10:18:15</p> <p>10 A. Yes. 10:18:16</p> <p>11 Q. And were some of those part of the 10:18:17</p> <p>12 MBA coursework that you did? 10:18:20</p> <p>13 A. No. 10:18:24</p> <p>14 Q. So you took at least five 10:18:26</p> <p>15 accounting courses in college; is that right? 10:18:30</p> <p>16 A. Yes. 10:18:33</p> <p>17 Q. And does your job require you to 10:18:33</p> <p>18 apply any basic accounting principles or have 10:18:38</p> <p>19 familiarity with accounting principles? 10:18:41</p> <p>20 A. It is not a requirement to occupy 10:18:51</p> <p>21 the position that I have. 10:18:55</p> <p>22 Q. I'm not asking if that's the job 10:18:56</p> <p>23 description. 10:19:00</p> <p>24 I'm asking about whether what you 10:19:00</p> <p>25 do from day-to-day requires you to have general 10:19:04</p>	<p>1 MS. McKEEN: Objection. 10:20:15</p> <p>2 THE WITNESS: I can't recall. 10:20:16</p> <p>3 BY MS. MILLER:</p> <p>4 Q. Okay. Have you taken any courses 10:20:19</p> <p>5 while employed at Conway MacKenzie? 10:20:23</p> <p>6 A. Could you clarify what you mean by 10:20:31</p> <p>7 "courses"? 10:20:35</p> <p>8 Q. Any classes, any continuing 10:20:38</p> <p>9 education presentations, any formal college or 10:20:41</p> <p>10 graduate degree classes; as broad a definition 10:20:45</p> <p>11 of "courses" as you could apply. 10:20:52</p> <p>12 A. I took a course in preparation for 10:21:01</p> <p>13 passing Part 1 of the ERA certification, but no 10:21:03</p> <p>14 college courses while I have been employed by 10:21:11</p> <p>15 Conway MacKenzie. 10:21:15</p> <p>16 Q. Okay. Did you participate in any 10:21:16</p> <p>17 presentations related to government accounting? 10:21:18</p> <p>18 A. Not to my recollection. 10:21:26</p> <p>19 Q. Have you read any books that 10:21:28</p> <p>20 touched on government accounting specifically 10:21:33</p> <p>21 for the purpose of understanding it? 10:21:35</p> <p>22 A. No. 10:21:41</p> <p>23 Q. Okay. So looking back at 10:21:41</p> <p>24 Exhibit 19A, which is still up on the screen, 10:21:43</p> <p>25 did you speak to anybody within the Treasury 10:21:47</p>
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<p>1 familiarity with accounting. How's that? 10:19:06</p> <p>2 A. And I have general familiarity 10:19:13</p> <p>3 with accounting concepts. I'm not certain that 10:19:14</p> <p>4 my job requires that. 10:19:18</p> <p>5 Q. Did any of the courses that you 10:19:21</p> <p>6 took on accounting touch on government 10:19:23</p> <p>7 accounting? 10:19:25</p> <p>8 A. I did not take a specific 10:19:37</p> <p>9 government accounting class. 10:19:40</p> <p>10 Q. Okay. But you know that wasn't my 10:19:42</p> <p>11 question. So I'm going to ask you to answer my 10:19:44</p> <p>12 question, which was: 10:19:46</p> <p>13 Did any of the courses that you 10:19:47</p> <p>14 took on accounting touch on government 10:19:48</p> <p>15 accounting? 10:19:49</p> <p>16 UNIDENTIFIED SPEAKER: Objection. 10:19:55</p> <p>17 THE WITNESS: I can't recall a 10:19:57</p> <p>18 specific context of every accounting class I 10:19:58</p> <p>19 took. 10:20:01</p> <p>20 BY MS. MILLER:</p> <p>21 Q. I didn't ask for a recitation of 10:20:05</p> <p>22 the context of every course. 10:20:07</p> <p>23 I'm asking you if you recall 10:20:08</p> <p>24 whether any of the accounting courses that you 10:20:08</p> <p>25 took covered government accounting as well. 10:20:10</p>	<p>1 Department about what "changes in Fund 10:21:51</p> <p>2 balances" mean? 10:21:56</p> <p>3 MS. McKEEN: Objection. 10:21:59</p> <p>4 THE WITNESS: No. 10:22:09</p> <p>5 BY MS. MILLER:</p> <p>6 Q. Are you surprised to see statement 10:22:11</p> <p>7 of revenue expenditures and changes in Fund 10:22:15</p> <p>8 balances as an entry in the table of contents 10:22:17</p> <p>9 of the Commonwealth financial statement? 10:22:21</p> <p>10 A. I'm not surprised one way or the 10:22:31</p> <p>11 other. 10:22:37</p> <p>12 Q. Okay. Even though you don't think 10:22:37</p> <p>13 of Funds as having balances, you're not 10:22:41</p> <p>14 surprised to see that in the Commonwealth 10:22:42</p> <p>15 audited financials? 10:22:44</p> <p>16 A. I'm not surprised one way or the 10:22:49</p> <p>17 other. 10:22:52</p> <p>18 Q. Okay. Having seen this, do you 10:22:52</p> <p>19 stand by your testimony that Funds don't have 10:22:56</p> <p>20 balances? 10:22:58</p> <p>21 UNIDENTIFIED SPEAKER: Objection. 10:22:58</p> <p>22 UNIDENTIFIED SPEAKER: Object to 10:23:05</p> <p>23 the form. 10:23:08</p> <p>24 THE WITNESS: I believe my 10:23:08</p> <p>25 testimony is that I don't think about Funds 10:23:09</p>

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<p>1 having balances within the TSA. 10:23:11</p> <p>2 BY MS. MILLER: 10:23:11</p> <p>3 Q. Okay. Mr. Ahlberg, does this tell 10:23:13</p> <p>4 you that others within the Puerto Rico 10:23:17</p> <p>5 Department of Treasury do think of Funds as 10:23:22</p> <p>6 having balances? 10:23:25</p> <p>7 MS. McKEEN: Objection. 10:23:25</p> <p>8 THE WITNESS: Would you repeat the 10:23:43</p> <p>9 question? 10:23:44</p> <p>10 MS. MILLER: Could the court 10:23:49</p> <p>11 reporter read it back, please? 10:23:49</p> <p>12 (Record read as requested.) 10:24:27</p> <p>13 THE WITNESS: It's unclear to me 10:24:27</p> <p>14 what others may or may not think about Fund 10:24:28</p> <p>15 balances based on this line of the table of 10:24:30</p> <p>16 contents here. 10:24:32</p> <p>17 BY MS. MILLER: 10:24:32</p> <p>18 Q. Okay. Mr. Ahlberg, financial 10:24:33</p> <p>19 statements are prepared to serve the public; is 10:24:37</p> <p>20 that right? Audited financial statements are 10:24:39</p> <p>21 prepared for the public; is that right? 10:24:43</p> <p>22 A. Audited financial statements are 10:24:50</p> <p>23 typically published and acceptable to the 10:24:52</p> <p>24 public. 10:24:58</p> <p>25 Q. And these financial statements 10:24:59</p>	<p>1 (Record read as requested.) 10:27:41</p> <p>2 THE WITNESS: Okay. Well, as I 10:27:41</p> <p>3 mentioned, I don't think about Funds as having 10:27:43</p> <p>4 balances within the TSA. 10:27:47</p> <p>5 BY MS. MILLER: 10:27:47</p> <p>6 Q. All right. So my question is do 10:27:53</p> <p>7 you think of Funds as having balances other 10:27:55</p> <p>8 than balances within the TSA? 10:27:57</p> <p>9 MS. McKEEN: Objection to the 10:27:59</p> <p>10 form. 10:28:03</p> <p>11 THE WITNESS: Right. And as I 10:28:03</p> <p>12 said, I don't think about Funds having balances 10:28:05</p> <p>13 within the TSA. 10:28:08</p> <p>14 BY MS. MILLER: 10:28:08</p> <p>15 Q. Do you think of Funds as having 10:28:14</p> <p>16 any other balances -- all right. Okay. Strike 10:28:17</p> <p>17 that. Let me rephrase. 10:28:20</p> <p>18 Do you think of Funds as having a 10:28:22</p> <p>19 balance other than a balance in the TSA? 10:28:24</p> <p>20 MS. McKEEN: Object to the form. 10:28:29</p> <p>21 BY MS. MILLER: 10:28:32</p> <p>22 Q. Okay. Let me rephrase it one more 10:28:32</p> <p>23 time. 10:28:34</p> <p>24 Do you think about Funds as having 10:28:34</p> <p>25 a balance that is not a balance in the TSA? 10:28:36</p>
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<p>1 that we're looking at, do you know who they 10:25:00</p> <p>2 were audited by? 10:25:03</p> <p>3 A. Off the top of my head, I do not 10:25:05</p> <p>4 recall who audited these financial statements. 10:25:07</p> <p>5 Q. Okay. Well, could we move 10:25:10</p> <p>6 two pages forward to the Bates ending 173? 10:25:12</p> <p>7 Does this refresh your recollection about who 10:25:22</p> <p>8 audited these financial statements? 10:25:25</p> <p>9 MS. McKEEN: Object to the form. 10:25:27</p> <p>10 THE WITNESS: I see that this is 10:25:37</p> <p>11 an independent auditor's report with the KPMG 10:25:38</p> <p>12 header on it. 10:25:44</p> <p>13 BY MS. MILLER: 10:25:44</p> <p>14 Q. Mr. Ahlberg, did KPMG audit the 10:25:47</p> <p>15 Commonwealth's 2016 financial statements? 10:25:52</p> <p>16 A. Yes. 10:25:54</p> <p>17 Q. In response to a question that I 10:26:30</p> <p>18 asked previously, you said that your testimony 10:26:32</p> <p>19 is that you don't think about Funds as having 10:26:36</p> <p>20 balances within the TSA. Do you recall that? 10:26:39</p> <p>21 A. Yes. 10:26:45</p> <p>22 Q. Do you think of Funds as having 10:26:46</p> <p>23 balances other than within the TSA? 10:26:49</p> <p>24 THE WITNESS: Could the court 10:27:14</p> <p>25 reporter read back that question, please? 10:27:15</p>	<p>1 A. No. 10:28:45</p> <p>2 Q. Do you have an understanding at 10:28:54</p> <p>3 all of what the Fund balances reflected in the 10:28:56</p> <p>4 audited financial statements are? 10:29:00</p> <p>5 A. I do not know exactly what the 10:29:14</p> <p>6 Fund balances shown in these financial 10:29:16</p> <p>7 statements are. 10:29:19</p> <p>8 Q. All right. And the very concept 10:29:20</p> <p>9 of Fund balances is just dissonant entirely 10:29:22</p> <p>10 with your understanding of Funds; is that 10:29:27</p> <p>11 right? 10:29:30</p> <p>12 MS. McKEEN: Object to the form. 10:29:30</p> <p>13 THE WITNESS: I don't think I 10:29:42</p> <p>14 understood the question. 10:29:43</p> <p>15 BY MS. MILLER: 10:29:43</p> <p>16 Q. My question is: 10:29:45</p> <p>17 The very concept of Fund balances 10:29:47</p> <p>18 is fundamentally inconsistent with your 10:29:49</p> <p>19 understanding of Funds; is that right? 10:29:52</p> <p>20 A. That is right, in the 10:30:00</p> <p>21 context that -- in my work that I do for the 10:30:11</p> <p>22 Department of Treasury on a regular basis. 10:30:13</p> <p>23 Q. What about outside of the context 10:30:15</p> <p>24 of the work that you do for the Department of 10:30:17</p> <p>25 Treasury on a regular basis? 10:30:19</p>

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1	A. No.	10:30:24	1	balances?	10:34:02
2	Q. Okay. Do you have any	10:30:26	2	MS. McKEEN: I'm going to object.	10:34:04
3	understanding of the term "valid" as it relates	10:30:29	3	Mr. Ahlberg is here to testify on behalf of the	10:34:06
4	to a Fund?	10:30:35	4	Commonwealth with respect to specifically	10:34:09
5	A. I don't know the exact definition	10:30:45	5	articulated topics, and I believe Mr. -- that,	10:34:10
6	there.	10:30:46	6	along with all the questions you've asked today	10:34:15
7	Q. I'm asking you if you have an	10:30:52	7	are well outside the scope of those topics. So	10:34:18
8	understanding of the term "balance" as it	10:30:54	8	Mr. Ahlberg can answer your questions if he	10:34:22
9	relates to a Fund. I don't understand your	10:30:58	9	knows the answer, but I don't believe the	10:34:24
10	answer, so let me ask my question again.	10:31:00	10	question you just articulated is within the	10:34:26
11	Did you, Mr. Ahlberg, have a	10:31:03	11	scope of the topics that you identified or as	10:34:28
12	personal understanding of the term "balances,"	10:31:05	12	to which Mr. Ahlberg has been designated.	10:34:30
13	as it relates to a Fund?	10:31:09	13	BY MS. MILLER:	10:34:30
14	A. I just -- I don't think about	10:31:19	14	Q. You can answer if you know.	10:34:33
15	Funds having balances.	10:31:21	15	MS. MILLER: Liz, I honestly	10:34:37
16	Q. So you're -- so in your mind	10:31:24	16	cannot even think of a line of questioning that	10:34:38
17	there's no place where the term "Fund" and the	10:31:27	17	is more directly relevant to the 30(b)(6)	10:34:40
18	term "balance" come together; is that right?	10:31:31	18	deposition. So I don't even understand the	10:34:43
19	MS. McKEEN: Objection.	10:31:35	19	basis for your commentary, but that's not an	10:34:45
20	THE WITNESS: Is there an	10:31:58	20	issue for right now.	10:34:47
21	outstanding question?	10:32:00	21	BY MS. MILLER:	10:34:47
22	BY MS. MILLER:	10:32:00	22	Q. My question to Mr. Ahlberg is:	10:34:49
23	Q. Yes, the outstanding question is:	10:32:02	23	Mr. Ahlberg, do you believe that	10:34:51
24	In your mind there's no place	10:32:05	24	it is the Commonwealth's official position that	10:34:53
25	where the term "Fund" and the term "balance"	10:32:06	25	Funds do not have balances?	10:34:55
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1	come together, right?	10:32:12	1	MS. McKEEN: Same objection. I	10:34:58
2	MS. McKEEN: Same objection.	10:32:12	2	appreciate your disagreement, but I'm going to	10:34:59
3	THE WITNESS: Not in the context	10:32:20	3	continue to make whatever objections I think	10:35:01
4	of the Flow of Funds which we have put together	10:32:23	4	are appropriate.	10:35:03
5	and presented to you guys.	10:32:27	5	BY MS. MILLER:	10:35:03
6	BY MS. MILLER:	10:32:30	6	Q. You can answer.	10:35:11
7	Q. What about in any other context?	10:32:31	7	A. I don't know.	10:35:21
8	A. I don't know.	10:32:37	8	Q. Did you speak to anybody within	10:35:32
9	Q. You don't know what you think?	10:32:44	9	Treasury in preparation for your deposition	10:35:36
10	MS. McKEEN: Objection.	10:32:46	10	today about Fund balances?	10:35:38
11	Atara, did you want to rephrase	10:32:54	11	A. No.	10:35:45
12	the question?	10:32:56	12	MS. MILLER: I'd like to pull up	10:35:59
13	BY MS. MILLER:	10:32:56	13	the next exhibit, please.	10:36:00
14	Q. Mr. Ahlberg, is there any place in	10:32:58	14	BY MS. MILLER:	10:36:00
15	your mind where the term "Fund" and the term	10:33:00	15	Q. Mr. Ahlberg, you testified	10:36:02
16	"balance" come together?	10:33:03	16	yesterday that for the last year plus, you've	10:36:06
17	MS. McKEEN: Objection.	10:33:04	17	been involved in preparing -- in assisting with	10:36:09
18	THE WITNESS: I don't know.	10:33:26	18	preparing the weekly cash flow reports. Do you	10:36:11
19	BY MS. MILLER:	10:33:45	19	recall that?	10:36:11
20	Q. Mr. Ahlberg, you're here	10:33:46	20	A. Yes.	10:36:16
21	testifying on behalf of the Commonwealth, isn't	10:33:47	21	Q. So if we could pull up an example	10:36:18
22	that right?	10:33:51	22	of the weekly cash flow report and mark it as	10:36:22
23	A. Yes.	10:33:51	23	Exhibit 20, please.	10:36:25
24	Q. And this is the official testimony	10:33:55	24		
25	of the Commonwealth that Funds don't have	10:33:57	25		

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1	(Monolines Exhibit 20 is introduced for the record.)	10:36:25	1	MS. MILLER: Okay. So I'll put on the record, and maybe you can pull it up online for those who can't see it. It's publicly available on the AAFAF website. It is the Treasury Single Account Fiscal Year 2020 Cash Flow as of April 10, 2020.
2	BY MS. MILLER:	10:36:43	2	10:39:06
3	Q. Do you know, Mr. Ahlberg, before we look at this, whether it is the official position of the Highway Transportation Authority that there are no Fund balances?	10:36:44	3	10:39:07
4	MS. McKEEN: Same objection as before.	10:36:45	4	10:39:09
5	THE WITNESS: I don't know.	10:36:48	5	10:39:13
6	BY MS. MILLER:	10:36:51	6	10:39:18
7	Q. Okay. Great. So you have in front of you a document that's been marked as Monolines Exhibit 20. Do you see that?	10:36:59	7	10:39:25
8	A. I see the document.	10:37:01	8	10:39:27
9	Q. Is this a document that you recognize?	10:37:06	9	10:39:31
10	A. Yes.	10:37:08	10	10:39:33
11	Q. Is this a document that you assisted in preparing?	10:37:11	11	10:39:35
12	A. Me personally, no.	10:37:13	12	10:39:38
13	Q. Okay. Well, can you give me an example, because I'd like to put in front of you a document that you did personally prepare.	10:37:25	13	10:39:39
14	So can you give me an example of a	10:37:27	14	10:40:02
15		10:37:35	15	10:40:11
16		10:37:37	16	10:40:13
17		10:37:38	17	10:40:16
18		10:37:40	18	10:40:18
19		10:37:43	19	10:40:22
20			20	
21			21	
22			22	
23			23	
24			24	
25			25	
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1	weekly cash flow report that you assisted in preparing that you testified about on Tuesday that I can pull up as an exhibit for you?	10:37:47	1	look at to confirm that they align with numbers in the Department of Treasury?
2	A. I did provide the review of this document. I did not -- I did not prepare the document.	10:37:51	2	10:40:24
3	Q. Okay. So people who report to you prepared this document?	10:37:54	3	10:40:32
4	A. Correct.	10:38:11	4	10:40:39
5	Q. And did you have responsibility for reviewing the contents?	10:38:13	5	10:40:44
6	A. Yes, I had certain review responsibilities with respect to this report.	10:38:16	6	10:40:50
7	Q. Okay. What are your --	10:38:17	7	10:40:59
8	(Simultaneous speaking.)	10:38:21	8	10:41:03
9	UNIDENTIFIED SPEAKER: (Indiscernible) is not appearing on my screen.	10:38:27	9	10:41:08
10	BY MS. MILLER:	10:38:36	10	10:41:09
11	Q. Okay. Does any -- Mr. Ahlberg, can you see the document?	10:38:38	11	10:41:12
12	A. Yes.	10:38:40	12	10:41:13
13	Q. Okay.	10:38:43	13	10:41:17
14	MS. MILLER: And Ms. McKeen, can you see it?	10:38:45	14	10:41:19
15	MS. MILLER: And Ms. McKeen, can you see it?	10:38:51	15	10:41:21
16	MS. MILLER: And Ms. McKeen, can you see it?	10:38:53	16	10:41:25
17	MS. MILLER: And Ms. McKeen, can you see it?	10:38:55	17	10:41:28
18	MS. MILLER: And Ms. McKeen, can you see it?	10:38:56	18	10:41:38
19	MS. MILLER: And Ms. McKeen, can you see it?	10:38:57	19	10:41:47
20	MS. MILLER: And Ms. McKeen, can you see it?	10:38:58	20	10:41:50
21	MS. MILLER: And Ms. McKeen, can you see it?	10:39:00	21	10:41:55
22	MS. MILLER: And Ms. McKeen, can you see it?	10:39:01	22	10:41:56
23	MS. MILLER: And Ms. McKeen, can you see it?		23	10:42:02
24	MS. MILLER: And Ms. McKeen, can you see it?		24	
25	MS. MILLER: And Ms. McKeen, can you see it?		25	

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<p>1 this a page from within the report that you 10:42:19 2 recognize? 10:42:21</p> <p>3 A. Yes. 10:42:23</p> <p>4 Q. And what is this page? 10:42:23</p> <p>5 A. The TSA cash flow actual results 10:42:30</p> <p>6 for the week ended April 10, 2020. 10:42:33</p> <p>7 Q. Okay. And do you see that 10:42:39</p> <p>8 within -- under State Collections, it was 10:42:51</p> <p>9 General Fund Collections. Do you see that? 10:42:56</p> <p>10 A. Yes. 10:43:00</p> <p>11 Q. And then it also lists non-General 10:43:01</p> <p>12 Fund passthrough collections. Do you see that? 10:43:04</p> <p>13 A. Yes, I see that. 10:43:11</p> <p>14 Q. How are non-General Fund 10:43:12</p> <p>15 pass-through collections identified in the TSA? 10:43:15</p> <p>16 A. Could we please flip to page 10? 10:43:33</p> <p>17 I just want to be sure that I have the right 10:43:38</p> <p>18 line item. 10:43:40</p> <p>19 Q. I think you could actually control 10:43:46</p> <p>20 the document if you want to. 10:43:48</p> <p>21 A. I cannot right now. I think 10:43:50</p> <p>22 somebody needs to give me that control. 10:43:52</p> <p>23 Q. We're on page 10. We're going to 10:43:55</p> <p>24 rotate it and then give you that control so 10:43:56</p> <p>25 that you can look at whatever. 10:43:58</p>	<p>1 Q. As it's used on page 11 of this 10:47:35 2 document. 10:47:37</p> <p>3 A. As it's used on this page of the 10:47:43 4 document, first to non-General Fund collections 10:47:47</p> <p>5 that either historically or currently pass 10:47:53</p> <p>6 through the list. 10:48:02</p> <p>7 Q. And so you used the word 10:48:02</p> <p>8 "pass-through" in your definition when I asked 10:48:04</p> <p>9 you if there was another way to describe it. 10:48:07</p> <p>10 And is that because "pass-through" 10:48:09</p> <p>11 is sort of a self-explanatory, clear phrase in 10:48:11</p> <p>12 your mind? 10:48:19</p> <p>13 UNIDENTIFIED SPEAKER: Objection. 10:48:19</p> <p>14 THE WITNESS: No. 10:48:23</p> <p>15 BY MS. MILLER:</p> <p>16 Q. Okay. So is there another way 10:48:27</p> <p>17 that you can explain pass-through other than by 10:48:28</p> <p>18 using the word "pass-through"? 10:48:31</p> <p>19 A. If you're just asking for the 10:48:38</p> <p>20 general way for first pass-through without 10:48:48</p> <p>21 saying "pass-through," that's a different 10:48:51</p> <p>22 question than -- is -- is that your question? 10:48:53</p> <p>23 Q. That's my question, yes. 10:48:56</p> <p>24 A. Minimally, pass-through means what 10:49:13</p> <p>25 it means. 10:49:15</p>
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<p>1 A. Okay. Just the (indiscernible). 10:44:01 2 That's right. 10:44:01</p> <p>3 Could you repeat your question? 10:44:08</p> <p>4 Q. My question is: 10:44:50</p> <p>5 How are non-General Fund 10:44:52</p> <p>6 pass-through collections identified within the 10:44:53</p> <p>7 TSA? 10:44:56</p> <p>8 A. Non-General Fund pass-through 10:45:20</p> <p>9 collections are understood by concept at the 10:45:23</p> <p>10 sweep account level and the detail by concept. 10:45:31</p> <p>11 And by "concept," I mean by the lines that you 10:45:37</p> <p>12 see under non-GF pass-throughs on this page. 10:45:39</p> <p>13 That information by concept detail is obtained 10:45:45</p> <p>14 from data from the sweep accounts. 10:45:50</p> <p>15 Q. Why is it broken out in a 10:46:00</p> <p>16 reporting of cash within the TSA? 10:46:02</p> <p>17 A. This separates cash inflows. It 10:46:16</p> <p>18 does not opine on cash within the TSA. 10:46:21</p> <p>19 Q. Do you have an understanding of 10:46:31</p> <p>20 what the term "pass-through" means? 10:46:35</p> <p>21 A. Pass-through means pass-through. 10:46:45</p> <p>22 Q. Is there any other way you could 10:46:57</p> <p>23 describe it? 10:46:59</p> <p>24 A. Another way to describe the 10:47:29</p> <p>25 general phrase "pass-through"? 10:47:31</p>	<p>1 Q. Okay. And then going back to 10:49:16 2 page 8, the next line is Other Special Revenue 10:49:27</p> <p>3 Fund Collection. Do you see that? 10:49:43</p> <p>4 A. Yes. 10:49:45</p> <p>5 Q. What are Other Special Revenue 10:49:53</p> <p>6 Funds? 10:50:05</p> <p>7 A. Other Special Revenue Funds 10:50:05</p> <p>8 Collections on this document refers to what is 10:50:06</p> <p>9 referred to in Treasury as agency collections. 10:50:10</p> <p>10 Q. Okay. And then going down, the 10:50:19</p> <p>11 next section is Federal Fund Receipts. Do you 10:50:23</p> <p>12 see that? 10:50:31</p> <p>13 A. Yes, I see that. 10:50:31</p> <p>14 Q. And do you have an understanding 10:50:32</p> <p>15 of what Federal Fund receipts are? 10:50:33</p> <p>16 A. Yes. 10:50:38</p> <p>17 Q. And what are they? 10:50:38</p> <p>18 A. In general, it is cash received 10:50:42</p> <p>19 from federal government entities. 10:50:44</p> <p>20 Q. And are -- are federal funds so 10:50:51</p> <p>21 designated within the TSA? 10:50:56</p> <p>22 UNIDENTIFIED SPEAKER: Objection. 10:50:56</p> <p>23 THE WITNESS: I'm -- I'm not sure 10:50:56</p> <p>24 I understood the question. Would you repeat 10:50:56</p> <p>25 it? 10:50:56</p>

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<p style="text-align: center;">282</p> <p>1 BY MS. MILLER:</p> <p>2 Q. Let me ask this:</p> <p>3 Can the Commonwealth send funds,</p> <p>4 federal funds that it receives from Medicaid on</p> <p>5 anything other than Medicaid?</p> <p>6 MS. McKEEN: Objection, outside</p> <p>7 the scope.</p> <p>8 You can answer if you know.</p> <p>9 THE WITNESS: Yeah. I'm not an</p> <p>10 attorney. I don't -- I don't know all the uses</p> <p>11 for Medicaid receipts.</p> <p>12 BY MS. MILLER: 10:52:07</p> <p>13 Q. Okay. So do you think it requires 10:52:07</p> <p>14 an attorney to know all the uses? 10:52:07</p> <p>15 MS. McKEEN: Objection, Atara. 10:52:07</p> <p>16 You could use a better example. 10:52:07</p> <p>17 BY MS. MILLER: 10:52:07</p> <p>18 Q. How do you -- how are federal 10:52:07</p> <p>19 funds identified to be listed in these separate 10:52:10</p> <p>20 buckets within this TSA cash flow report? 10:52:12</p> <p>21 MS. MILLER: Oh, I think we have 10:52:23</p> <p>22 to pause for a minute. Oh, no -- 10:52:24</p> <p>23 THE REPORTER: No, this is the 10:52:33</p> <p>24 court reporter.</p> <p>25 MS. MILLER: Are you -- is the</p>	<p style="text-align: center;">284</p> <p>1 MS. McKEEN: We're fine to go off 10:53:55</p> <p>2 the record as far as a break. It's as good a 10:53:57</p> <p>3 time as any. 10:53:59</p> <p>4 MS. MILLER: Okay. So let's go 10:54:00</p> <p>5 off the record. Let's take a 5-minute break, 10:54:01</p> <p>6 back at 11 Central. 10:54:03</p> <p>7 MS. McKEEN: Atara -- 10:54:06</p> <p>8 THE VIDEOGRAPHER: We are off the 10:54:06</p> <p>9 record at 10:54 a.m. 10:54:10</p> <p>10 (Recess taken.) 10:57:17</p> <p>11 THE VIDEOGRAPHER: We are back on 11:13:11</p> <p>12 the record at 11:13a.m. 11:13:13</p> <p>13 BY MS. MILLER: 11:13:16</p> <p>14 Q. So we were looking at Exhibit 20 11:13:18</p> <p>15 before the break, and I was asking you about 11:13:21</p> <p>16 the federal funds receipt. Do you recall that? 11:13:24</p> <p>17 A. Yes. 11:13:29</p> <p>18 Q. And my question is: 11:13:29</p> <p>19 How are federal funds designated 11:13:30</p> <p>20 within the TSA? 11:13:34</p> <p>21 A. It requires a manual exercise 11:13:41</p> <p>22 performed by Treasury team daily to review the 11:13:46</p> <p>23 TSA operational account bank statements and 11:13:51</p> <p>24 identify transfers from known federal 11:13:53</p> <p>25 government entities and identifying those 11:13:59</p>
<p style="text-align: center;">283</p> <p>1 court reporter okay for us to proceed? I 11:14:09</p> <p>2 believe the answer is yes.</p> <p>3 THE REPORTER: Yes, it's okay -- 11:14:11</p> <p>4 it's okay to proceed. I'm back in. Thank you. 10:52:33</p> <p>5 MS. MILLER: Thank you. 10:52:33</p> <p>6 MR. NATBONY: Just to let you 10:52:56</p> <p>7 know, this is Bill Natbony. There is a large 10:52:58</p> <p>8 delay that at least I'm experiencing, something 10:52:59</p> <p>9 like five or six minutes in both the chat room 10:53:02</p> <p>10 and in the -- hearing the testimony. 10:53:05</p> <p>11 MS. MILLER: I wonder if now might 10:53:14</p> <p>12 be -- yeah, I also have a few seconds. I'm 10:53:16</p> <p>13 wondering if now might be a good time to take a 10:53:18</p> <p>14 quick break and maybe let everybody log out and 10:53:21</p> <p>15 get back in. Let's see if that helps. 10:53:25</p> <p>16 THE REPORTER: This is the court 10:53:50</p> <p>17 reporter -- this is the court reporter. I know 10:53:50</p> <p>18 Henderson said that Live Litigation is 10:53:50</p> <p>19 monitoring, So I'll give them a quick call, if 10:53:50</p> <p>20 we want to take a break, and make -- have Live 10:53:50</p> <p>21 Litigation get involved immediately and see if 10:53:50</p> <p>22 they can straighten this out. 10:53:50</p> <p>23 UNIDENTIFIED SPEAKER: Yeah, I did 10:53:50</p> <p>24 log in and log out. It did not help. 10:53:51</p> <p>25 MS. MILLER: Did not help. Okay. 10:53:53</p>	<p style="text-align: center;">285</p> <p>1 transfers as such in their internal daily cash 11:14:09</p> <p>2 flow workbook that I referenced before. 11:14:11</p> <p>3 Q. Okay. And is a particular Federal 11:14:13</p> <p>4 Fund identified within that internal daily 11:14:16</p> <p>5 workbook? 11:14:18</p> <p>6 A. No. 11:14:21</p> <p>7 Q. Okay. So how are the Funds 11:14:21</p> <p>8 tracked once inside the TSA? 11:14:27</p> <p>9 A. The receipt of this cash is 11:14:36</p> <p>10 tracked, as I mentioned. 11:14:40</p> <p>11 Q. Is the outflow of those federal 11:14:42</p> <p>12 funds also tracked? 11:14:46</p> <p>13 A. Outflows of federal funds are 11:14:52</p> <p>14 tracked. 11:14:56</p> <p>15 Q. How are they tracked? 11:14:57</p> <p>16 A. Depends on the nature of the 11:15:01</p> <p>17 outflow. 11:15:02</p> <p>18 Q. Can you give me an example? 11:15:05</p> <p>19 A. For example, in outflow, for 11:15:11</p> <p>20 example, in line 18 on this report, where it 11:15:18</p> <p>21 says "Federal Fund," under Payroll and Related 11:15:22</p> <p>22 Costs, that would require synthesis of the 11:15:25</p> <p>23 biweekly payroll registers that we review in 11:15:34</p> <p>24 which there would be a Fund designation, a 11:15:38</p> <p>25 Fund-type designation. 11:15:43</p>

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<p>1 Q. Are there other outflows that have 2 Fund-type designations? 11:15:53 3 MS. McKEEN: Objection. 11:15:55 4 THE WITNESS: Yes. 11:16:02 5 BY MS. MILLER: 11:16:06 6 Q. What other outflows have Fund-type 7 designations? 11:16:08 8 A. Cash outflows to suppliers, which 9 in this report would be captured in line 22 10 under Vendor Disbursements, Federal fund. 11:16:12 11 Q. And are the outflows designated 12 with the same Fund identifier as the inflows? 11:16:19 13 A. I don't know. We have never done 14 that exercise. 11:16:27 15 Q. When you say "we," who do you 16 mean?" 11:16:46 17 A. Treasury. 11:16:50 18 Q. What exercise are you referring to 19 that you've never -- that Treasury has never 20 done? 11:17:18 21 A. I believe that was any kind of 22 matching federal fund inflows by Fund number on 23 Type 2 with their corresponding outflows, which 24 may appear throughout this document in various 25 line items. 11:17:21 11:17:28 11:17:34 11:17:53 11:17:55 11:18:06 11:18:10 11:18:13</p>	<p>1 So can you explain how that's 2 responsive to the question that I asked about 3 whether federal fund inflows and corresponding 4 outflows are designated on Commonwealth 5 accounting documents with the same Fund number? 11:19:45 6 MS. McKEEN: Objection. 11:19:46 7 THE WITNESS: Outflows on the TSA 8 that are identified as federal fund outflows 9 would be tagged with a Fund number that would 10 be the same universe of Fund numbers that would 11 be used within the accounting system to record 12 federal fund revenue. 11:19:48 13 BY MS. MILLER: 11:19:52 14 Q. What do you mean by "the same 15 universe"? 11:19:54 16 A. Same list of Fund numbers. 11:19:56 17 Q. Do you know whether that's true 18 for Fund 278 revenues? 11:19:58 19 A. Do I know whether what is true for 20 Fund 278 revenues? 11:19:59 21 Q. Whether outflows of 22 Fund 278 revenues are similarly tagged with 23 Fund 278. 11:20:01 24 UNIDENTIFIED SPEAKER: Objection. 11:20:32 25 THE WITNESS: I believe we looked 11:20:35 11:20:40 11:20:45 11:20:50 11:20:54 11:20:56 11:21:00 11:21:03 11:21:08 11:21:10 11:21:19 11:21:23 11:21:25 11:21:28 11:21:32 11:21:33 11:21:50</p>
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<p>1 Q. My question is whether the 2 outflows are designated on the Commonwealth's 3 internal accounting documents with the same 4 Fund number as the corresponding inflow. 5 A. And, again, matching specific 6 Fund, Fund ID numbers would not be an exercise 7 that would be required to put together this 8 report here. 9 Q. I didn't ask about mapping, so I'm 10 going to ask my question for a third time, and 11 I'm going to ask you to listen to it carefully, 12 okay? The question is quite narrow: 13 Are the outflows designated on the 14 Commonwealth's internal accounting documents 15 with the same Fund number as the corresponding 16 inflows for the federal fund example that you 17 provided? 18 MS. McKEEN: Asked and answered, 19 objection. 20 THE WITNESS: We were speaking 21 generally about line items. 22 BY MS. MILLER: 23 Q. Was that an answer to my question? 24 A. Yes. 25 Q. I don't understand it. 11:18:14 11:18:15 11:18:18 11:18:20 11:18:36 11:18:42 11:18:45 11:18:47 11:18:48 11:18:51 11:18:53 11:18:56 11:19:00 11:19:04 11:19:06 11:19:09 11:19:15 11:19:16 11:19:17 11:19:26 11:19:27 11:19:36 11:19:41 11:19:44</p>	<p>1 at vouchers together on Tuesday of transfers 2 from the TSA to HTA in which Fund Number 278 3 was included on those vouchers. 11:21:50 4 BY MS. MILLER: 11:21:56 5 Q. So Fund 278 is designated on both 6 inflows and outflows from the TSA with respect 7 to revenues therein, correct? 11:22:02 8 MS. McKEEN: Objection. 11:22:10 9 THE WITNESS: No, the outflows 10 would show Fund 278 as being the source of 11 those -- source revenues for a transfer or 12 outflow. 11:22:12 13 BY MS. MILLER: 11:22:37 14 Q. So outflows of Fund 278 revenues 15 would identify Fund 278 as the source of the 16 revenue for that outflow; is that correct? 17 A. I don't know if that's correct the 18 way you phrased the question, but outflows to 19 HTA that were -- that the funding source was 20 revenue earned under 278, that transfer would 21 show that the revenue source for that transfer 22 was Fund 278 revenue. 11:22:40 23 Q. Okay. I think we can put this 24 exhibit to the side. 11:22:50 25 I'm going to turn now, 11:22:54 11:22:56 11:22:58 11:22:59 11:22:32 11:22:37 11:22:40 11:22:40 11:22:48 11:22:50 11:22:54 11:23:03 11:23:05 11:23:08 11:23:12 11:23:15 11:23:17 11:23:25 11:23:30 11:23:47</p>

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<p style="text-align: center;">290</p> <p>1 Mr. Ahlberg, to asking you some questions about 11:23:49 2 PRIFA, okay? 11:23:52 3 A. Okay. 11:23:53 4 Q. Just before I do that, one last 11:23:56 5 question. 11:23:58 6 What about outflows of revenues 11:23:59 7 from Fund 278 to a source other than HTA, would 11:24:04 8 they also be tagged with Fund 278 as 11:24:15 9 the -- sorry -- would they also identify 11:24:19 10 Fund 278 as the source of the revenue? 11:24:22 11 A. Could you repeat the question all 11:24:27 12 together, not broken up? 11:24:29 13 Q. Sure. If there were outflows to 11:24:32 14 an entity other than HTA that the funding 11:24:41 15 source was revenue earned under 278, would that 11:24:46 16 transfer also show the revenue source for the 11:24:51 17 transfer of Fund 278? 11:24:54 18 A. I'm not certain how to answer that 11:25:10 19 hypothetical question, but I've seen no 11:25:12 20 outflows to other entities other than HTA that 11:25:14 21 identified the revenue source of Fund 278. 11:25:19 22 Q. Okay. So you're not certain 11:25:26 23 whether they exist or not? 11:25:29 24 A. Whether what exists or not? 11:25:32 25 Q. Whether there are, in fact, 11:25:35</p>	<p style="text-align: center;">292</p> <p>1 Q. And were you referring to Sylvia 11:27:13 2 Lopez Jorge? 11:27:25 3 A. I think that's her full name. 11:27:28 4 Q. Do you know what her position is? 11:27:30 5 Let me ask. Is she employed at PRIFA? 11:27:32 6 A. Yes. 11:27:34 7 Q. Do you know what her position is 11:27:38 8 at PRIFA? 11:27:39 9 A. I don't know what her exact title 11:27:41 10 is, but I know that she's a manager over a lot 11:27:42 11 of PRIFA. 11:27:47 12 Q. Okay. Do you know whether she's 11:27:47 13 an accountant? 11:27:49 14 A. I know that generally she's a 11:27:52 15 manager in the finance and accounting 11:27:54 16 department. I don't know her exact title or 11:27:57 17 the way that she exactly considers her 11:27:59 18 professional occupation. 11:28:02 19 Q. Okay. She's in the finance and 11:28:02 20 accounting department; is that right? 11:28:04 21 A. Yes. 11:28:10 22 Q. Okay. Do you know if she's a CPA? 11:28:10 23 A. I'm not -- I don't know if she's a 11:28:14 24 CPA or not. 11:28:16 25 Q. Okay. And have you spoken to her 11:28:17</p>
<p style="text-align: center;">291</p> <p>1 transfers to entities other than HTA that 11:25:37 2 identify a revenue source for Fund 278. 11:25:40 3 A. I've seen no evidence of any 11:25:49 4 transfers to entities that would have used Fund 11:25:53 5 source 278 as the revenue source for that 11:25:57 6 transfer. 11:26:02 7 Q. When I say "PRIFA," you understand 11:26:17 8 that I'm referring to the Puerto Rico 11:26:19 9 Infrastructure Financing Authority, correct? 11:26:20 10 A. Yeah. 11:26:29 11 Q. And you're here testifying as a 11:26:29 12 representative of PRIFA, correct? 11:26:35 13 A. Yes. 11:26:36 14 Q. Okay. And I think you -- let me 11:26:37 15 ask: 11:26:40 16 In connection with the work that 11:26:40 17 you do, other than this deposition for the 11:26:42 18 Commonwealth, do you have any responsibilities 11:26:46 19 that relate to PRIFA? 11:26:49 20 A. No. 11:26:56 21 Q. You mentioned yesterday that you 11:27:02 22 spoke to someone named Sylvia in connection 11:27:04 23 with preparing for your deposition today 11:27:07 24 related to PRIFA; is that correct? 11:27:09 25 A. Yes. 11:27:13</p>	<p style="text-align: center;">293</p> <p>1 other than in preparation -- have you ever 11:28:21 2 spoken to her other than in preparation for 11:28:23 3 your deposition? 11:28:26 4 A. No. 11:28:27 5 Q. And what did you talk to her 11:28:27 6 about? 11:28:30 7 A. I would -- we talked about 11:28:42 8 anything that would help put together the Flow 11:28:44 9 of Funds presentation that was provided to you 11:28:50 10 guys in order to understand Flow of Funds 11:28:54 11 during the relevant time period. 11:28:56 12 Q. And did you call her with specific 11:28:59 13 questions? 11:29:02 14 A. When we spoke, sometimes I would 11:29:14 15 have questions to ask her. 11:29:16 16 Q. How many times did you speak to 11:29:19 17 her? 11:29:21 18 A. I can't recall the exact amount of 11:29:25 19 times that I spoke with her. I would estimate 11:29:27 20 about two to three times per week for two to 11:29:31 21 three weeks. 11:29:35 22 Q. Okay. Did she provide you with 11:29:43 23 documents that helped you in preparing the Flow 11:29:46 24 of Funds? 11:29:54 25 A. Yes. 11:29:54</p>

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<p style="text-align: center;">294</p> <p>1 Q. And did you prepare the initial 11:29:54 2 Flow of Funds or did somebody else do it? 11:30:00 3 A. It was a collaborative effort. 11:30:04 4 Q. And who were you collaborating 11:30:07 5 with? 11:30:10 6 A. Me, Sylvia, I mentioned, and then 11:30:11 7 Treasury Department, Jeira Belén plus Hector 11:30:18 8 Gomez. 11:30:26 9 Q. Anybody else? 11:30:26 10 A. Not that I can recall 11:30:29 11 specifically. 11:30:32 12 Q. Were there any lawyers involved in 11:30:32 13 that? 11:30:34 14 A. Yes. 11:30:34 15 Q. And which lawyers? 11:30:36 16 A. Attorneys representing O'Melveny & 11:30:44 17 Myers, Marini, AAFAF or Proskauer. 11:30:48 18 Q. Okay. I missed what you said 11:30:57 19 before Proskauer. 11:30:59 20 A. Marini I think is the name of the 11:31:00 21 law firm. 11:31:04 22 Q. So you mentioned O'Melveny, Marini 11:31:04 23 and Proskauer; is that right? 11:31:09 24 A. Yes. 11:31:13 25 Q. Okay. Have you reviewed any of 11:31:13</p>	<p style="text-align: center;">296</p> <p>1 identified what the key issues in this 11:32:43 2 litigation are? 11:32:48 3 MS. McKEEN: Asked and answered. 11:32:48 4 MS. MILLER: Well, I got the stock 11:32:49 5 answer that "I reviewed hundreds of documents." 11:32:50 6 That's not an answer. The answer is yes or no 11:32:52 7 to "Did you review it?" 11:32:55 8 MS. McKEEN: Let's be clear. He 11:32:56 9 told you he didn't remember. If you want to 11:32:58 10 ask him ten different ways, I don't know why 11:33:00 11 you're expecting a different answer. If you 11:33:02 12 want to keep going, you can, but it's a waste 11:33:05 13 of time. He told you he did not remember. 11:33:07 14 It's not a stock answer if he does not remember 11:33:11 15 something, Atara. 11:33:13 16 MS. MILLER: I have a feeling 11:33:16 17 somebody suggested to him that anytime someone 11:33:17 18 asks about a document he testifies that he's 11:33:18 19 reviewed hundreds of documents and can't 11:33:20 20 possibly remember the single document I'm 11:33:22 21 asking about. 11:33:24 22 BY MS. MILLER: 11:33:24 23 Q. Mr. Ahlberg, did you review legal 11:33:25 24 briefs submitted in this litigation? 11:33:29 25 MS. McKEEN: Stop. I'm going -- 11:33:30</p>
<p style="text-align: center;">295</p> <p>1 the legal briefs that were submitted to the 11:31:22 2 Court in connection with this litigation? 11:31:24 3 A. I have seen some of that 11:31:33 4 information. 11:31:35 5 Q. Okay. And what do you recall 11:31:37 6 seeing? 11:31:39 7 A. I don't recall specific -- 11:31:44 8 specific documents. 11:31:46 9 Q. Do you remember seeing any 11:31:49 10 oversight for briefs in opposition to the 11:31:52 11 motion? 11:31:55 12 A. I think so, but without the 11:32:03 13 document in front of me, it's hard to recall. 11:32:04 14 Q. Okay. Do you know if you read it? 11:32:07 15 A. Without the document in front of 11:32:14 16 me, it's hard to recall. 11:32:17 17 Q. Did you read any legal briefs that 11:32:18 18 were submitted to the Court in connection with 11:32:21 19 this litigation? 11:32:23 20 A. I've seen hundreds of documents. 11:32:28 21 I just can't recall the specific documents that 11:32:31 22 I reviewed. 11:32:34 23 Q. Could that be if you've read any 11:32:35 24 legal briefs -- you don't remember one way or 11:32:39 25 another if you've read any legal briefs that 11:32:43</p>	<p style="text-align: center;">297</p> <p>1 MS. MILLER: You're not 11:33:32 2 interrupting me. There's a question pending. 11:33:33 3 The witness is going to answer the question. 11:33:36 4 If you have an objection, you can state 11:33:38 5 "objection" without speaking. 11:33:40 6 MS. McKEEN: Atara, respectfully, 11:33:41 7 I'm going to say what I am going to say, and 11:33:45 8 you can't stop me. I don't -- 11:33:47 9 MS. MILLER: No. There are rules 11:33:48 10 that govern it. You can't just put speaking 11:33:50 11 objections on the record. This is my 11:33:52 12 deposition, not yours. You can defend, you can 11:33:54 13 say "objection." I'm not letting you put a 11:33:56 14 speech on the record right now. 11:33:59 15 MS. McKEEN: I'm responding to 11:34:00 16 your suggestion that the witness was coached to 11:34:02 17 say that I don't appreciate it, and I would 11:34:04 18 appreciate it if you would conduct yourself in 11:34:06 19 a more courteous and professional manner, both 11:34:08 20 to me and to the witness, who's given you a lot 11:34:12 21 of his time. 11:34:14 22 So if you would like to ask him 11:34:14 23 yet a fourth time if he recalls reading briefs, 11:34:15 24 you can. I object to that. Go ahead. 11:34:18</p>

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<p>1 BY MS. MILLER: 11:34:18</p> <p>2 Q. Mr. Ahlberg, do you recall reading 11:34:21</p> <p>3 any of the legal briefs in connection with this 11:34:22</p> <p>4 matter? 11:34:26</p> <p>5 A. I have read various legal briefs. 11:34:27</p> <p>6 I can't recall specifically which ones without 11:34:32</p> <p>7 having the documents in front of me. 11:34:34</p> <p>8 Q. Okay. Thank you. 11:34:37</p> <p>9 MS. MILLER: I'd like to mark as 11:34:47</p> <p>10 an exhibit tab 1102. 11:34:49</p> <p>11 (Monolines Exhibit 21 is 11:34:49</p> <p>12 introduced for the record.) 11:35:01</p> <p>13 BY MS. MILLER: 11:35:01</p> <p>14 Q. Mr. Ahlberg, did you review the 11:35:02</p> <p>15 PRIFA Enabling Act in connection with your 11:35:05</p> <p>16 testimony today? 11:35:08</p> <p>17 A. I did not review the PRIFA 11:35:12</p> <p>18 Enabling Act. 11:35:17</p> <p>19 Q. All right. Do you have a general 11:35:17</p> <p>20 understanding of the requirements under the 11:35:20</p> <p>21 PRIFA Enabling Act to deposit certain moneys 11:35:22</p> <p>22 into particular accounts? 11:35:25</p> <p>23 MS. McKEEN: Objection. 11:35:28</p> <p>24 THE WITNESS: I am aware that the 11:35:34</p> <p>25 PRIFA Enabling Act has certain information 11:35:36</p>	<p>1 line. 11:37:38</p> <p>2 ...the first proceeds of the 11:37:41</p> <p>3 federal excise taxes remitted to the Department 11:37:41</p> <p>4 of Treasury on Puerto Rico in each fiscal 11:37:49</p> <p>5 year... 11:37:50</p> <p>6 Do you see that? 11:37:50</p> <p>7 A. Yes, I see that. 11:37:51</p> <p>8 Q. Okay. And then if you go down to 11:37:52</p> <p>9 about halfway through the paragraph, as it goes 11:37:55</p> <p>10 through various years which are well behind us, 11:38:01</p> <p>11 so I'm going to skip them. 11:38:03</p> <p>12 So in the case of fiscal year 2006 11:38:05</p> <p>13 to '7 to 2008 and '9, and at subsequent years 11:38:07</p> <p>14 until fiscal year 2056 to '57, the 11:38:12</p> <p>15 participation shall be for an amount of up to 11:38:16</p> <p>16 \$117 million, which when received by the 11:38:18</p> <p>17 Department of Treasury of Puerto Rico, shall be 11:38:22</p> <p>18 covered into a Special Fund to be maintained by 11:38:25</p> <p>19 or on behalf of the authority designated as the 11:38:28</p> <p>20 Puerto Rico Infrastructure Fund. 11:38:31</p> <p>21 Do you see that? 11:38:35</p> <p>22 A. Yes, I see that. 11:38:36</p> <p>23 Q. Okay. Do you have an 11:38:38</p> <p>24 understanding of what Special Fund, capital S, 11:38:40</p> <p>25 capital F, means in the Commonwealth? 11:38:43</p>
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<p>1 about moneys in accounts, as you mentioned. 11:35:40</p> <p>2 BY MS. MILLER: 11:35:40</p> <p>3 Q. Okay. I'd like to turn to 11:35:44</p> <p>4 Section 1914, if we could. 11:35:49</p> <p>5 Let me ask you while we are 11:36:17</p> <p>6 getting to it, because it's about 25 pages in, 11:36:18</p> <p>7 so it might take a while. We're going page by 11:36:22</p> <p>8 page here. 11:36:25</p> <p>9 Do you have an understanding of 11:36:26</p> <p>10 what a special deposit is as used by the 11:36:28</p> <p>11 Commonwealth? 11:36:33</p> <p>12 A. As used by the Commonwealth in 11:36:45</p> <p>13 what context? 11:36:48</p> <p>14 Q. Well, now you have Section 1914 up 11:36:50</p> <p>15 in front of you, and it's titled Special 11:36:53</p> <p>16 Deposit, and my question is if you have an 11:36:56</p> <p>17 understanding within the Commonwealth, 11:37:00</p> <p>18 accounting or otherwise, what a special deposit 11:37:02</p> <p>19 means. 11:37:04</p> <p>20 A. I'm not familiar with the term 11:37:08</p> <p>21 "special deposit." 11:37:10</p> <p>22 Q. Okay. Have you ever heard it? 11:37:12</p> <p>23 A. I may have heard the term before. 11:37:18</p> <p>24 Q. Okay. Okay. So this provision 11:37:21</p> <p>25 requires that -- I'm reading about the second 11:37:32</p>	<p>1 MS. McKEEN: Objection. 11:38:51</p> <p>2 THE WITNESS: I'm not certain what 11:38:52</p> <p>3 Special Fund means in the context of this page 11:38:53</p> <p>4 here. It looks like a definition that we can 11:38:58</p> <p>5 refer to within the document. 11:39:00</p> <p>6 BY MS. MILLER: 11:39:07</p> <p>7 Q. Not elsewhere defined in the 11:39:07</p> <p>8 document, but let me ask you, have you ever 11:39:08</p> <p>9 heard of that term, Special Fund, being used 11:39:11</p> <p>10 anywhere in Commonwealth accounting? 11:39:16</p> <p>11 A. I have heard people use the term 11:39:25</p> <p>12 "Special Fund," but depending on the context, 11:39:28</p> <p>13 people could have been referring to different 11:39:31</p> <p>14 things. 11:39:33</p> <p>15 Q. Okay. And what have you -- what 11:39:36</p> <p>16 are some of the things that you think it could 11:39:40</p> <p>17 have been referring to? 11:39:42</p> <p>18 A. That's -- I'm not sure I have a 11:39:49</p> <p>19 clear understanding from the document. 11:39:54</p> <p>20 Q. Okay. Do you know whether 11:39:56</p> <p>21 special -- I'm sorry. 11:39:58</p> <p>22 Going back to special deposit, do 11:39:59</p> <p>23 you know whether special deposit is defined in 11:40:03</p> <p>24 the Commonwealth financial statement of the 11:40:04</p> <p>25 Special Fund? 11:40:06</p>

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<p style="text-align: center;">302</p> <p>1 A. I do not know off the top of my 11:40:11 2 head if that's how the financial statements 11:40:15 3 define that term. 11:40:16 4 Q. Okay. What does "Fund" mean 11:40:17 5 within the Commonwealth financial statement? 11:40:27 6 MS. McKEEN: Objection. 11:40:30 7 THE WITNESS: Not being a CPA, I 11:40:36 8 am not certain. Depends on where in the 11:40:37 9 financial statements... 11:40:39 10 BY MS. MILLER: 11:40:39 11 Q. Okay. Can you give me one example 11:40:48 12 of what it might mean? 11:40:52 13 MS. McKEEN: Objection. 11:41:00 14 THE WITNESS: One example of what 11:41:11 15 might mean? 11:41:13 16 BY MS. MILLER: 11:41:14 17 Q. Of what "Fund" means in the 11:41:14 18 financial statement. You said it depends on 11:41:17 19 where -- where it is in the financial 11:41:19 20 statements. 11:41:19 21 I'm asking you for one option 11:41:20 22 based on anything you can think of, and I think 11:41:22 23 you should go back to the financial statements, 11:41:24 24 if you want to pull them up and go through 11:41:27 25 them. 11:41:29</p>	<p style="text-align: center;">304</p> <p>1 Q. Got it. Okay. 11:42:47 2 So we'll pull up Monolines 11:42:49 3 Exhibit 19A and look at page 40. 11:42:53 4 Okay. So you now have page 40 of 11:43:39 5 this Monolines Exhibit 19A in front of you. 11:43:41 6 Looking at this document, can you 11:43:44 7 tell me what "Fund" means as used within the 11:43:50 8 Commonwealth accounting? 11:43:52 9 MS. McKEEN: Objection. 11:43:57 10 THE WITNESS: Not being a CPA, I'm 11:44:00 11 uncertain exactly how "Funds" is used within 11:44:01 12 the Commonwealth accounting (indiscernible) 11:44:03 13 operate chk give you an example of use of the 11:44:07 14 term "Fund," which was the goal of pointing me 11:44:09 15 to this page. 11:44:12 16 BY MS. MILLER: 11:44:27 17 Q. Okay. And you don't know what it 11:44:27 18 means when on this page it uses the term 11:44:28 19 "Fund." You were just saying it's your -- it 11:44:31 20 makes sense where the Commonwealth uses the 11:44:33 21 word "Fund" in its accounting statements? 11:44:35 22 UNIDENTIFIED SPEAKER: Objection. 11:44:40 23 Yes, since that was in direct response to the 11:44:45 24 question that you asked. 11:44:48</p>
<p style="text-align: center;">303</p> <p>1 MS. McKEEN: Objection. 11:41:29 2 THE WITNESS: I believe page 40 of 11:41:41 3 the financial statements has the word "Fund" on 11:41:44 4 it. 11:41:47 5 BY MS. MILLER: 11:41:47 6 Q. Okay. And my question is: 11:41:48 7 What does it mean when it's used 11:41:49 8 in the financial statements? 11:41:51 9 MS. McKEEN: Can you please click 11:41:52 10 the exhibit button so we can all see what 11:41:59 11 you're looking at? 11:42:01 12 THE WITNESS: I'm looking at 11:42:02 13 what's been put in front of me. 11:42:03 14 MS. McKEEN: Atara, if you'd like 11:42:15 15 the witness to look at page 40 of the financial 11:42:17 16 statements, you can put it in front of him. 11:42:18 17 BY MS. MILLER: 11:42:18 18 Q. Are you saying that you just think 11:42:22 19 page 40 off the top of your head? You happen 11:42:24 20 to remember that page 40 of the financial 11:42:26 21 statements refers to Fund? 11:42:32 22 A. If I recall that from the top of 11:42:37 23 my head, having used the table of contents of 11:42:40 24 that document together, and seeing page 40 next 11:42:43 25 to the line that we discussed together. 11:42:46</p>	<p style="text-align: center;">305</p> <p>1 BY MS. MILLER: 11:44:48 2 Q. And because you are not a CPA, you 11:44:48 3 can't tell me what the word "Fund" as used on 11:45:03 4 this page or anywhere else in the audited 11:45:05 5 financials means; is that right? 11:45:10 6 MS. McKEEN: Objection. 11:45:11 7 THE WITNESS: I don't know one way 11:45:13 8 or the other how the authors of this document 11:45:14 9 are using the term "Fund." 11:45:17 10 BY MS. MILLER: 11:45:20 11 Q. Well, this isn't meant to be a 11:45:22 12 super secret document, right? It's meant for 11:45:25 13 public consumption, isn't it? 11:45:28 14 MS. McKEEN: Objection. 11:45:30 15 THE WITNESS: The audited 11:45:33 16 financial statements are made public. 11:45:34 17 BY MS. MILLER: 11:45:34 18 Q. Do you have an understanding of 11:45:37 19 how the public would expect -- as a member of 11:45:38 20 the public, how the public would expect the 11:45:40 21 word "Fund" to be used in the context of 11:45:42 22 Puerto Rico government financial statements? 11:45:49 23 UNIDENTIFIED SPEAKER: Objection. 11:45:52 24 THE WITNESS: I can't speculate on 11:45:52 25 how the public would interpret the use of the 11:45:54</p>

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<p>1 word "Fund." 11:45:57</p> <p>2 BY MS. MILLER: 11:45:57</p> <p>3 Q. What about how you would interpret 11:45:57</p> <p>4 the use of the word "Fund"? 11:45:59</p> <p>5 MS. McKEEN: Objection. 11:46:03</p> <p>6 THE WITNESS: The way that I think 11:46:11</p> <p>7 about the use of the word "Fund" are Fund 11:46:13</p> <p>8 numbers within the PRIFA system. 11:46:16</p> <p>9 BY MS. MILLER:</p> <p>10 Q. Looking -- while we have this 11:46:20</p> <p>11 document up, I know I asked you about it. Once 11:46:22</p> <p>12 we have it, if we can turn to page 161, 162 of 11:46:25</p> <p>13 the PDF. It's not the page that I wanted. So 11:46:29</p> <p>14 I'll have to come back to it. Okay. I'll come 11:46:50</p> <p>15 back to it with a question if I need to. 11:47:01</p> <p>16 MS. McKEEN: Atara, I think you 11:47:11</p> <p>17 have page 151 up. 11:47:12</p> <p>18 THE REPORTER: Ms. McKeen, this is 11:47:13</p> <p>19 the court reporter -- I'm sorry. This is the 11:47:14</p> <p>20 court reporter. Can you just move your phone a 11:47:15</p> <p>21 little bit closer to you?</p> <p>22 MS. McKEEN: Is that better?</p> <p>23 THE REPORTER: Yes. Thank you. 11:47:51</p> <p>24 BY MS. MILLER:</p> <p>25 Q. Okay. I want to turn back to tab 11:47:52</p>	<p>1 received for the specified purposes for which 11:50:32</p> <p>2 the law does not specify its recording in any 11:50:35</p> <p>3 other Fund. It mainly includes -- it mainly 11:50:39</p> <p>4 includes deposits under the custody of the 11:50:42</p> <p>5 Courts of Justice for alimony payments, 11:50:44</p> <p>6 escrows, revenue collections and agency 11:50:47</p> <p>7 accounts for which the Commonwealth act in an 11:50:50</p> <p>8 agent's capacity. 11:50:54</p> <p>9 Q. Okay. Have you spoken to anybody 11:50:57</p> <p>10 at Treasury about Special Deposits? 11:51:05</p> <p>11 A. No. 11:51:11</p> <p>12 Q. Have you had any conversations 11:51:14</p> <p>13 with anyone at PRIFA about the Special Deposits 11:51:17</p> <p>14 established under the Enabling Act? 11:51:27</p> <p>15 A. We did not have particular 11:51:31</p> <p>16 conversations about Special Deposits. 11:51:34</p> <p>17 MS. MILLER: Okay. Can we turn 11:51:37</p> <p>18 back to tab 1102, Kevin, please? 11:51:42</p> <p>19 BY MS. MILLER:</p> <p>20 Q. So we have back in front of us 11:51:45</p> <p>21 Exhibit -- Monolines Exhibit 21, and we are 11:52:07</p> <p>22 looking, again, at Section 1914. And I just 11:52:10</p> <p>23 want to draw your attention to the bottom of 11:52:18</p> <p>24 the middle portion of that paragraph where it 11:52:20</p> <p>25 says the -- shall be covered into -- that the 11:52:25</p>
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<p>1 1102. Okay. 11:47:59</p> <p>2 Okay. So, sorry, the page that 11:48:11</p> <p>3 I'm looking for is actually the second half, so 11:48:15</p> <p>4 we're going to just have to load 19B. So give 11:48:21</p> <p>5 me one second. 11:48:23</p> <p>6 MS. MILLER: Kevin, could you go 11:49:38</p> <p>7 to 357, please, back a couple pages? Thank 11:49:40</p> <p>8 you. Okay. Here we go. 11:49:44</p> <p>9 BY MS. MILLER:</p> <p>10 Q. And do you see -- so we are still 11:49:48</p> <p>11 in the audited financials for the year ended 11:49:50</p> <p>12 June 30, 2016. 11:49:54</p> <p>13 Do you see that? 11:49:55</p> <p>14 A. Yes, I see it. 11:49:55</p> <p>15 Q. And there's a section designated 11:50:01</p> <p>16 Special Deposits. 11:50:03</p> <p>17 Do you see that? 11:50:05</p> <p>18 A. I see that. 11:50:09</p> <p>19 Q. And you can just read how the 11:50:10</p> <p>20 Commonwealth defines Special Deposits in its 11:50:12</p> <p>21 financial reports? 11:50:18</p> <p>22 A. Sure. Special Deposits: This 11:50:20</p> <p>23 Fund acts as a fiduciary -- sorry. 11:50:24</p> <p>24 This Fund acts in a fiduciary 11:50:28</p> <p>25 capacity in order to account for moneys 11:50:31</p>	<p>1 moneys shall be covered into a Special Fund to 11:52:27</p> <p>2 be maintained by or on behalf of the authority 11:52:30</p> <p>3 designated as the Puerto Rico Infrastructure 11:52:33</p> <p>4 Fund. 11:52:37</p> <p>5 Do you see that? 11:52:37</p> <p>6 A. Yes, I see that. 11:52:40</p> <p>7 Q. And is the Puerto Rico 11:52:42</p> <p>8 Infrastructure Fund something that you have 11:52:47</p> <p>9 ever come across in the accounting material of 11:52:49</p> <p>10 the Commonwealth? 11:52:58</p> <p>11 A. The concept of the Puerto Rico 11:53:03</p> <p>12 Infrastructure Fund is something I discussed 11:53:06</p> <p>13 with PRIFA. Is that the question? 11:53:18</p> <p>14 Q. That was the question. 11:53:20</p> <p>15 And what did you speak to PRIFA 11:53:22</p> <p>16 about? 11:53:24</p> <p>17 A. We specifically inquired as to the 11:53:34</p> <p>18 existence of an Infrastructure Fund account. 11:53:35</p> <p>19 Q. And what did PRIFA tell you? 11:53:49</p> <p>20 A. That there's no specific bank 11:53:51</p> <p>21 account that is designated or known as the 11:53:57</p> <p>22 Infrastructure Fund. 11:54:00</p> <p>23 Q. Okay. Did you ask whether -- 11:54:03</p> <p>24 other than a specific bank account whether 11:54:05</p> <p>25 there is a Fund, as that term is used in the 11:54:07</p>

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<p style="text-align: center;">310</p> <p>1 Commonwealth accounting, designated the 11:54:09 2 Puerto Rico Infrastructure Fund? 11:54:11 3 A. Yes. 11:54:17 4 Q. And what was the answer? 11:54:19 5 A. That, again, there's no -- there's 11:54:24 6 no Fund that is the Puerto Rico Infrastructure 11:54:27 7 Fund. 11:54:35 8 THE REPORTER: I'm sorry. Can you 11:54:35 9 repeat the back half of the answer, please? 11:54:36 10 THE WITNESS: There is no account 11:54:38 11 number or Fund identified as the Puerto Rico 11:54:40 12 Infrastructure Fund. 11:54:44 13 BY MS. MILLER: 11:54:44 14 Q. When you say "account number," you 11:54:51 15 mean bank account number? 11:54:54 16 A. Correct. 11:54:55 17 Q. Did you speak to anybody at the 11:54:59 18 Puerto Rico Department of Treasury regarding 11:55:01 19 whether or not there was a Puerto Rico 11:55:03 20 Infrastructure Fund? 11:55:04 21 A. Yes. 11:55:09 22 Q. And who did you speak to? 11:55:09 23 A. I can recall discussions with 11:55:15 24 Jeira Belén and Hector Gomez. 11:55:21 25 Q. And what did they tell you about 11:55:23</p>	<p style="text-align: center;">312</p> <p>1 BY MS. MILLER: 11:56:36 2 Q. Of what? 11:56:47 3 A. Of rum taxes. 11:57:00 4 Q. And you testified, I think, that 11:57:03 5 over a matter -- course of a few weeks, you put 11:57:06 6 together a Flow of Funds for PRIFA among other 11:57:09 7 instrumentalities, right? 11:57:13 8 A. Yes. 11:57:14 9 Q. And were these the Funds that you 11:57:15 10 were tracking in the Flow of Funds? 11:57:18 11 UNIDENTIFIED SPEAKER: Note my 11:57:29 12 objection, please. 11:57:30 13 THE WITNESS: The Flow of Funds, 11:57:35 14 those are the Flow of Funds for \$117 million in 11:57:39 15 each fiscal year. 11:57:48 16 BY MS. MILLER: 11:57:48 17 Q. Not just any \$117 million, right? 11:57:50 18 A. Not just any \$117 million; 11:58:04 19 correct. 11:58:11 20 Q. Mr. Ahlberg, what moneys are the 11:58:11 21 PRIFA Flow of Funds that you prepared tracking? 11:58:13 22 A. We generally track the first 11:58:22 23 \$117 million of rum tax proceeds. 11:58:24 24 Q. Okay. And those are the moneys 11:58:33 25 that Section 1914 indicated were to be 11:58:34</p>
<p style="text-align: center;">311</p> <p>1 that? 11:55:29 2 A. That they did not understand the 11:55:29 3 Puerto Rico Infrastructure Fund as being a 11:55:31 4 specific or -- a specific bank account or Fund. 11:55:36 5 Q. Well, do you have an understanding 11:55:41 6 under the statute, based on what we just read 11:55:43 7 in Monolines Exhibit 21, about what the 11:55:47 8 Puerto Rico Infrastructure Fund -- what moneys 11:55:50 9 were supposed to be deposited into the 11:55:52 10 Puerto Rico Infrastructure Fund? 11:55:55 11 MS. McKEEN: I'll object to the 11:56:00 12 extent it calls for any legal testimony, but if 11:56:02 13 the witness has a lay understanding, he can 11:56:04 14 answer. 11:56:09 15 THE WITNESS: Could you repeat the 11:56:16 16 question? 11:56:17 17 BY MS. MILLER: 11:56:17 18 Q. Do you have an understanding of 11:56:18 19 what moneys under Section 1914 of Exhibit 21 11:56:19 20 were supposed to flow into the Puerto Rico 11:56:24 21 Infrastructure Fund? 11:56:29 22 MS. McKEEN: Same objections. 11:56:29 23 THE WITNESS: I understand that 11:56:36 24 this document specifies up to \$117 million. 11:56:36</p>	<p style="text-align: center;">313</p> <p>1 deposited in a Special Fund called the 11:58:39 2 Puerto Rico Infrastructure Fund, right? 11:58:43 3 MS. McKEEN: Objection. 11:58:45 4 THE WITNESS: That is what this 11:58:45 5 Section 1914 says. 11:58:47 6 BY MS. MILLER: 11:58:47 7 Q. Okay. And that's why you included 11:58:49 8 them in the Flow of Funds because that's the 11:58:50 9 money that's in dispute in this litigation, 11:58:53 10 right? 11:58:55 11 A. I don't know if that's the 11:59:04 12 specific reason why we entered the Flow of 11:59:05 13 Funds as 117 million. 11:59:12 14 Q. And not just any 117 million of 11:59:13 15 rum taxes, the first 117 million of rum taxes, 11:59:16 16 right, that you were tracking? 11:59:20 17 A. The first \$117 million of rum 11:59:22 18 taxes in a given fiscal year, yes. 11:59:25 19 Q. Mr. Ahlberg, did you review any of 11:59:34 20 the Commonwealth financial documents to see if 11:59:36 21 there was any discussion of a Puerto Rico 11:59:41 22 Infrastructure Fund? 11:59:43 23 A. I did not specifically review any 11:59:49 24 one particular document in search for the 12:00:00 25 phrase "Puerto Rico Infrastructure Fund." 12:00:03</p>

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<p>1 Q. Did you look at whether the 12:00:10 2 Puerto Rico Infrastructure Fund was identified 12:00:12 3 as a Fund in the Commonwealth's audited 12:00:17 4 financial statements? 12:00:20</p> <p>5 A. I can't recall off the top of my 12:00:32 6 head if that's something that's included in the 12:00:35 7 financial statements or not. 12:00:37</p> <p>8 Q. I'm asking you if you looked. 12:00:37</p> <p>9 A. I did not look through the 12:00:45 10 financial statements for that specific phrase. 12:00:47</p> <p>11 Q. Okay. Did you look through the 12:00:52 12 financial statements generally for the concept 12:00:55 13 of a Fund established to hold the first 12:00:57 14 \$117 million of rum excise taxes? 12:01:01</p> <p>15 A. No. 12:01:10</p> <p>16 Q. All right. Other than speaking to 12:01:11 17 Sylvia and two people at Treasury, did you do 12:01:17 18 anything else to determine whether or not the 12:01:23 19 Commonwealth in fact has a Fund called the 12:01:25 20 Puerto Rico Infrastructure Fund or another Fund 12:01:27 21 designated for the deposit of the first 12:01:30 22 \$117 million of rum excise tax? 12:01:32</p> <p>23 A. Outside of the conversations with 12:01:44 24 the individuals that I mentioned and -- no. 12:01:46</p> <p>25 Q. Okay. So you did not look at any 12:01:52</p>	<p>1 MS. MILLER: Kevin, I hate to do 12:02:46 2 this to you, but I'd like to go back to the 12:02:48 3 audited financial statements, please, and I'd 12:02:49 4 like to go to page 347. So it will be at 19B. 12:02:51</p> <p>5 BY MS. MILLER:</p> <p>6 Q. Okay. So here we are. Look at 12:03:20 7 number 2. 12:03:22</p> <p>8 Do you see that it's called 12:03:25 9 Puerto Rico Infrastructure Financing 12:03:26</p> <p>10 Authority's Special Revenue Fund? Do you see 12:03:28 11 that? 12:03:33</p> <p>12 A. I see that, yes. 12:03:33</p> <p>13 Q. Okay. And can you just read the 12:03:36 14 first sentence to me? 12:03:37</p> <p>15 A. The Special Revenue Fund of the 12:03:43 16 Puerto Rico Infrastructure Financing Authority, 12:03:47 17 a blended component unit, is used to account 12:03:50 18 principally for the moneys received by the 12:03:55 19 Commonwealth up to \$117 million of certain 12:03:57 20 federal excise taxes levied on rum and other 12:04:01 21 articles produced in Puerto Rico and sold in 12:04:05 22 the United States which are collected by the 12:04:07 23 U.S. Treasury and returned to the Commonwealth. 12:04:09</p> <p>24 Q. Did you have any discussions with 12:04:18 25 anybody at Treasury about what this Special 12:04:20</p>
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<p>1 documents to independently verify that, did 12:01:55 2 you? 12:01:58</p> <p>3 MS. McKEEN: Objection. 12:01:58</p> <p>4 THE WITNESS: No, but I did look 12:02:04 5 at enough documents to satisfy myself that the 12:02:05 6 Flow of Funds presentation put together was 12:02:11 7 accurate. 12:02:16</p> <p>8 BY MS. MILLER:</p> <p>9 Q. Okay. And counsel represented to 12:02:17 10 us that at least since 2014, there has been no 12:02:19 11 Fund identified as the Puerto Rico 12:02:22 12 Infrastructure Funds. Do you understand that? 12:02:23</p> <p>13 Sorry. Do you agree with that 12:02:25 14 representation? 12:02:27</p> <p>15 A. Yes. 12:02:27</p> <p>16 Q. Okay. And you believe that to be 12:02:29 17 true, don't you? 12:02:31</p> <p>18 A. I guess. 12:02:32</p> <p>19 Q. So that's a yes? 12:02:39</p> <p>20 A. Yes. 12:02:41</p> <p>21 Q. Okay. 12:02:44</p>	<p>1 Revenue Fund is? 12:04:25</p> <p>2 A. No. 12:04:32</p> <p>3 Q. Would you have liked to have known 12:04:33 4 about that representation in the financial 12:04:36 5 statements when you were having discussions 12:04:42 6 about the Puerto Rico Infrastructure Fund? 12:04:44</p> <p>7 UNIDENTIFIED SPEAKER: Objection. 12:04:48</p> <p>8 THE WITNESS: I can't say whether 12:04:53 9 it would have impacted our conversations one 12:04:54 10 way or the other. 12:04:57</p> <p>11 BY MS. MILLER: 12:04:57</p> <p>12 Q. Okay. But would you have liked to 12:04:58 13 have at least known about it so you could ask? 12:05:00</p> <p>14 MS. McKEEN: Objection. 12:05:04</p> <p>15 THE WITNESS: I can't say one way 12:05:09 16 or the other. 12:05:11</p> <p>17 MS. MILLER: I'd like to mark as 12:05:49 18 an exhibit tab 1107, Monolines Exhibit 22. 12:05:50</p> <p>19 (Monolines Exhibit 22 is 12:05:50 20 introduced for the record.) 12:06:40</p> <p>21 BY MS. MILLER:</p> <p>22 Q. Okay. Mr. Ahlberg, you have in 12:06:40 23 front of you a document that was marked 12:06:41 24 Exhibit 22. If we go to the second page of the 12:06:43 25 exhibit, you'll see that it is the trust 12:06:46</p>

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1	agreement related to the Puerto Rico	12:06:54	1	MS. McKEEN: Objection.	12:09:55
2	Infrastructure Financing Authority to Citibank,	12:06:55	2	THE WITNESS: Cash is comingled in	12:09:56
3	N.A?	12:06:55	3	the TSA account, if that's your question.	12:09:59
4	Do you see that?	12:07:01	4	BY MS. MILLER:	12:09:59
5	A. I see that.	12:07:01	5	Q. No. My question is that you can	12:10:02
6	Q. Is this a document that you've	12:07:03	6	have General Fund money in an account and you	12:10:05
7	seen before?	12:07:05	7	can have Fund 278 money in the account and you	12:10:08
8	A. I don't recall specifically	12:07:18	8	can have federal fund money in the account, but	12:10:12
9	reviewing this particular document.	12:07:19	9	there is cash within a single account but the	12:10:14
10	Q. Are you generally familiar with	12:07:28	10	cash is coming from various different Funds,	12:10:17
11	the various accounts that were supposed to be	12:07:29	11	correct?	12:10:24
12	set up under both the Enabling Act and the	12:07:31	12	MS. McKEEN: Objection.	12:10:24
13	trust agreement for -- sorry -- through which	12:07:34	13	THE WITNESS: The source of the	12:10:26
14	the first \$117 million of rum taxes were	12:07:41	14	cash that ends up in the TSA are	12:10:28
15	supposed to flow?	12:07:44	15	different -- different revenue types, different	12:10:32
16	MS. McKEEN: Objection.	12:07:47	16	Fund types.	12:10:33
17	THE WITNESS: I'm not an attorney.	12:07:48	17	BY MS. MILLER:	12:10:33
18	I'm not specific of what those -- our trust	12:07:50	18	Q. They're allocated on the	12:10:36
19	agreement requires in terms of bank accounts or	12:07:52	19	Commonwealth's internal accounting document to	12:10:37
20	not.	12:07:56	20	different Funds, right?	12:10:39
21	BY MS. MILLER:	12:07:56	21	A. The revenues are tagged with Fund	12:10:43
22	Q. I'm not asking what was required.	12:07:56	22	number identifiers when revenue is recorded.	12:10:46
23	I am just asking do you structurally understand	12:07:58	23	Q. Okay. And a single Fund can also	12:10:53
24	the Funds or account that the first	12:08:01	24	have multiple bank accounts associated with it,	12:11:01
25	\$117 million of Puerto Rico -- sorry -- of rum	12:08:04	25	right?	12:11:05
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1	excise taxes were supposed to flow through?	12:08:10	1	MS. McKEEN: Objection.	12:11:08
2	A. I understand how the Funds did	12:08:17	2	UNIDENTIFIED SPEAKER: Objection.	12:11:11
3	flow. I'm happy to answer any questions about	12:08:22	3	THE WITNESS: I'm not certain what	12:11:15
4	factual information that actually did happen	12:08:24	4	you mean.	12:11:16
5	with respect to the Flow of Funds.	12:08:27	5	MS. MILLER: I don't understand	12:11:17
6	Q. Okay. Are you familiar with a	12:08:28	6	the objection.	12:11:18
7	Fund called the Sinking Fund?	12:08:31	7	BY MS. MILLER:	12:11:19
8	A. Can you be more specific?	12:08:43	8	Q. The General Fund -- does the	12:11:19
9	Q. Yeah, we can turn to page 34 of	12:08:45	9	General Fund have multiple bank accounts?	12:11:22
10	the document, which is Article IV, Section 401	12:08:54	10	A. I don't think about Funds having	12:11:26
11	of the trust agreement.	12:09:00	11	bank accounts.	12:11:28
12	Actually, let me ask you one other	12:09:05	12	Q. Why not?	12:11:30
13	thing before we get there. We spoke yesterday	12:09:07	13	A. Because Fund numbers are used to	12:11:31
14	or Tuesday and then this morning about how the	12:09:10	14	record earned revenue and -- and don't -- don't	12:11:46
15	TSA or the operational account of the	12:09:12	15	have anything to do with a cash balance, a	12:11:52
16	Commonwealth has within it revenues from	12:09:15	16	discrete cash balance in the TSA.	12:11:54
17	multiple Funds, correct?	12:09:19	17	Q. Okay. Well, can the General Fund	12:11:56
18	A. It has within it cash receipts	12:09:25	18	have separate accounting accounts, not bank	12:11:58
19	from revenue recorded.	12:09:31	19	accounts, but just accounts that are used for	12:12:01
20	Q. From multiple Funds, right?	12:09:32	20	accounting purposes, internal Commonwealth	12:12:04
21	A. What?	12:09:37	21	account numbers?	12:12:06
22	Q. Obviously had cash receipts from	12:09:42	22	MS. McKEEN: Object to the form.	12:12:08
23	revenue recorded. My point was did it have	12:09:45	23	THE WITNESS: What do you mean by	12:12:16
24	cash receipts from revenue recorded in multiple	12:09:48	24	"account numbers"?	12:12:17
25	different Funds?	12:09:53	25		

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1 BY MS. MILLER:	12:12:17	1 Q. What did you say?	12:15:02
2 Q. Does the Commonwealth have any	12:12:21	2 A. That I don't think about the	12:15:04
3 internal account numbers that it uses when	12:12:22	3 General Fund as having a balance.	12:15:05
4 moneys are received?	12:12:27	4 Q. So how does that differ from what	12:15:09
5 MS. McKEEN: Objection.	12:12:31	5 I said you said?	12:15:11
6 THE WITNESS: The way you're using	12:12:36	6 MS. McKEEN: Objection.	12:15:12
7 "account" is pretty broad.	12:12:38	7 BY MS. MILLER:	12:15:18
8 BY MS. MILLER:	12:12:42	8 Q. I'm just looking for an answer?	12:15:18
9 Q. I'm asking within the	12:12:42	9 A. If the court reporter wants to	12:15:19
10 Commonwealth's internal accounting, does it use	12:12:47	10 repeat back what is said, sure.	12:15:20
11 account numbers to identify different moneys	12:12:54	11 Q. Okay. I don't want the court	12:15:22
12 within a particular Fund?	12:12:57	12 reporter to repeat back what I said. I'd like	12:15:24
13 MS. McKEEN: Objection.	12:13:06	13 you to look at Section 401 on Monolines	12:15:27
14 THE WITNESS: Revenue account	12:13:19	14 Exhibit 22. So I understand that you said that	12:15:29
15 number -- revenue account number, which would	12:13:22	15 bank accounts within Funds made no sense. I'd	12:15:36
16 then be PRIFA systems referred to as a CFRA	12:13:24	16 like you to look at the section Funds and	12:15:40
17 code. It is possible that one Fund number	12:13:29	17 Accounts.	12:15:43
18 could be attached to a string of data. That	12:13:33	18 Do you see that?	12:15:43
19 string of data would have a -- it could have	12:13:36	19 MS. McKEEN: Object.	12:15:44
20 one Fund number, you could have more than one	12:13:38	20 BY MS. MILLER:	12:15:44
21 different account number, but that's referring	12:13:42	21 Q. Do you see that, Article IV titled	12:15:45
22 to the CFRA account code, the revenue account	12:13:44	22 Funds and Accounts?	12:15:49
23 code within the PRIFA system.	12:13:48	23 A. I see Article IV where it says	12:15:49
24 BY MS. MILLER:	12:13:54	24 Funds and Accounts.	12:15:52
25 Q. Okay. And does the General Fund	12:13:54	25 Q. Okay. And do you have an	12:15:54
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1 have a balance?	12:13:57	1 understanding of what the difference is between	12:15:55
2 A. I don't think of a General Fund as	12:13:58	2 a Fund and an account?	12:15:57
3 having a balance in terms of cash.	12:14:01	3 A. It depends on the context --	12:16:07
4 Q. Hmm. What about in terms -- what	12:14:05	4 Q. Okay. What about in this context?	12:16:09
5 about not in terms of cash?	12:14:06	5 A. Without reviewing this entire	12:16:18
6 A. I don't think about the General	12:14:09	6 section, I'm not sure I could summarize --	12:16:20
7 Fund having balance.	12:14:15	7 (Simultaneous speaking.)	12:16:24
8 Q. Does the General Fund have a	12:14:15	8 A. -- conjecture.	12:16:24
9 balance for accounting purposes?	12:14:17	9 Q. Okay. So let's look at	12:16:24
10 A. Not BCB, no note if they have	12:14:22	10 Section 401. Section 401 is titled Banking	12:16:27
11 balance for accounting purposes or not, but I	12:14:26	11 Funds and Accounts.	12:16:33
12 don't think about Funds in terms of cash	12:14:28	12 Do you see that?	12:16:35
13 balances.	12:14:32	13 A. Yes.	12:16:35
14 Q. You've taken five postsecondary	12:14:33	14 Q. And it says:	12:16:36
15 accounting classes. So I understand you're not	12:14:37	15 A Special Fund is hereby created	12:16:37
16 a Certified Public Accountant, but I think you	12:14:40	16 and designated Puerto Rico Infrastructure	12:16:39
17 can still answer my question. And your answer	12:14:43	17 Financing Authority Special Tax Revenue Bond	12:16:41
18 was no, is that right, the General Fund does	12:14:46	18 Sinking Fund, hereinafter -- herein sometimes	12:16:45
19 not have a balance -- it is your testimony that	12:14:51	19 called the Sinking Fund, to be held by the	12:16:47
20 the General Fund does not have a balance for	12:14:54	20 trustee.	12:16:50
21 accounting purposes?	12:14:56	21 Do you see that?	12:16:51
22 MS. McKEEN: Objection.	12:14:57	22 A. Yes.	12:16:51
23 THE WITNESS: That's not what I	12:14:58	23 Q. And then it says:	12:16:52
24 said.	12:14:59	24 There are hereby created three	12:16:54
25 BY MS. MILLER:	12:15:02	25 separate accounts in the Sinking Fund	12:16:57

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<p>1 designated Bond Service Account, Redemption 12:16:59 2 Account, and Reserve Account. 12:17:03 3 Do you see that? 12:17:06 4 A. Yes. 12:17:06 5 Q. So now let me ask again. Do you 12:17:07 6 understand that a Fund can have multiple bank 12:17:09 7 accounts associated with it? 12:17:17 8 MS. McKEEN: Objections. 12:17:17 9 THE WITNESS: I understand that in 12:17:19 10 the context of this document, that the Sinking 12:17:20 11 Fund that it mentions does appear to have 12:17:23 12 multiple accounts. 12:17:27 13 BY MS. MILLER: 14 Q. And you had never heard of that 12:17:29 15 concept before, a Fund having multiple bank 12:17:33 16 accounts associated with it; is that right? 12:17:36 17 MS. McKEEN: Objection, 12:17:37 18 mischaracterizes testimony. 12:17:38 19 THE WITNESS: That's not what I 12:17:42 20 said. 12:17:43 21 BY MS. MILLER: 22 Q. Okay. Have you ever encountered 12:17:45 23 this concept of a Fund having multiple bank 12:17:47 24 accounts associated with it previously? 12:17:49 25 A. No, because the nature of my work 12:18:03</p>	<p>1 in which I would have encountered the word or 12:19:38 2 concept of Fund. 12:19:40 3 BY MS. MILLER: 4 Q. So what other contexts have you 12:19:43 5 encountered it in? 12:19:45 6 A. It's hard to say because people 12:19:49 7 use the term "Fund" very loosely. 12:19:52 8 Q. Okay. In preparing the Flow of 12:19:57 9 Funds, did you ask for any documents that 12:20:03 10 mapped particular bank account numbers to 12:20:07 11 accounts or Funds identified in the relevant 12:20:12 12 bond documents for the trust agreement in the 12:20:15 13 Enabling Act that we just looked at? 12:20:19 14 MS. McKEEN: Objection to the form 12:20:29 15 of the question. 12:20:31 16 THE WITNESS: Would you repeat the 12:20:37 17 question? 12:20:38 18 BY MS. MILLER: 19 Q. Yes. In preparing the Flow of 12:20:40 20 Funds, did you ask whether there were any 12:20:42 21 documents that mapped particular bank account 12:20:44 22 numbers to accounts or Funds identified in the 12:20:46 23 relevant bond document within the trust 12:20:48 24 agreement and the Enabling Act that we just 12:20:54 25 looked at? 12:20:55</p>
<p>327</p> <p>1 with -- with Funds is a little different than 12:18:04 2 what they're calling a Fund in this document. 12:18:11 3 Q. Okay. In what way? 12:18:14 4 A. Because when I think of Funds, I 12:18:22 5 think of the Fund number identifiers within the 12:18:25 6 PRIFA system. 12:18:29 7 Q. Okay. That's the only time you've 12:18:39 8 ever encountered the concept of a Fund with 12:18:43 9 respect to Puerto Rico and -- with respect to 12:18:46 10 Puerto Rico and the instrumentalities which are 12:18:48 11 designated as the 30(b)(6) to testify today? 12:18:52 12 MS. McKEEN: Objection. 12:18:55 13 THE WITNESS: I don't know. What 12:19:03 14 was the question there? 12:19:04 15 BY MS. MILLER: 16 Q. The question was that the Fund 12:19:07 17 designation within the PRIFA system is the only 12:19:10 18 time that you've encountered the concept of a 12:19:13 19 Fund with respect to Puerto Rico and the 12:19:15 20 instrumentalities with which you were 12:19:18 21 designated to teach as the 30(b)(6) to testify 12:19:22 22 today? 12:19:25 23 MS. McKEEN: Objection. 12:19:26 24 THE WITNESS: The concept of Funds 12:19:26 25 is very broad, so that's not the only context 12:19:27</p>	<p>329</p> <p>1 MS. McKEEN: Objection. 12:20:56 2 THE WITNESS: No. 12:21:07 3 BY MS. MILLER: 4 Q. Why not? 12:21:08 5 A. I felt comfortable with the work 12:21:20 6 that I did to satisfy myself that the Flow of 12:21:22 7 Funds presentations that we submitted were 12:21:26 8 correct and accurate. 12:21:30 9 BY MS. MILLER: 10 Q. Do you know whether there are any 12:21:32 11 internal Commonwealth documents that map 12:21:34 12 specific bank accounts to the Funds and 12:21:38 13 accounts identified in the bond documents? 12:21:40 14 A. Is that a question? 12:21:46 15 Q. Yeah. 12:21:49 16 A. It didn't sound like it. Would 12:21:55 17 you repeat it in a way that sounds like a 12:21:58 18 question? 12:22:00 19 Q. Okay. Do you know whether there 12:22:00 20 are any internal Commonwealth documents that 12:22:02 21 map specific bank accounts to the Funds and 12:22:04 22 accounts identified in the bond documents? 12:22:05 23 A. I've seen no evidence of that. 12:22:15 24 Q. Okay. Where did you look for 12:22:24 25 that, or let me ask before that. 12:22:27</p>

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<p>1 You didn't ask anybody for it. So 12:22:30 2 did you independently look for such a document? 12:22:33 3 A. No. 12:22:40 4 Q. What's the basis for your 12:22:43 5 testimony that you don't believe there is any? 12:22:45 6 MS. McKEEN: Objection, misstates 12:22:48 7 testimony. 12:22:50 8 THE WITNESS: After discussions 12:22:52 9 with Treasury and PRIFA, I saw no evidence of 12:22:58 10 that. 12:23:04 11 BY MS. MILLER: 12:23:04 12 Q. What were the nature of those 12:23:09 13 discussions? 12:23:12 14 A. The nature of those discussions 12:23:15 15 were preparation for this deposition. 12:23:23 16 Q. Okay. So you're assuming that if 12:23:27 17 they had a document mapping particular Funds or 12:23:29 18 accounts, they would have mentioned it in the 12:23:33 19 course of the conversations even though you 12:23:35 20 didn't ask for it? 12:23:37 21 MS. McKEEN: Objection. 12:23:39 22 THE WITNESS: That would have 12:23:50 23 been -- I believe I would have been aware 12:23:52 24 of -- of any evidence to the contrary. 12:23:59 25</p>	<p>1 refer to the first \$117 million of rum revenues 12:25:46 2 in the TSA? 12:25:50 3 A. No, I think it generally refers to 12:25:59 4 the first 117 million of rum revenues earned. 12:26:01 5 Q. Regardless of where they were? 12:26:04 6 A. I'm speaking generally about the 12:26:14 7 concepts of the Infrastructure Fund as 12:26:16 8 understood by relevant individuals. 12:26:20 9 Q. Okay. And so the common 12:26:24 10 understanding of that term is that the first 12:26:26 11 \$117 million of rum excise taxes are in the 12:26:30 12 Puerto Rico Infrastructure Fund? 12:26:36 13 MS. McKEEN: Objection. 12:26:44 14 THE WITNESS: No. 12:26:44 15 BY MS. MILLER: 12:26:44 16 Q. Well, tell me again how you 12:26:47 17 understand it, how that term is generally 12:26:48 18 understood within the Commonwealth? 12:26:50 19 A. Generally understood as the first 12:26:53 20 117 million of rum revenues in each fiscal 12:26:58 21 year. 12:27:07 22 Q. Okay. 12:27:07 23 THE WITNESS: How does anybody 12:27:15 24 feel about a break here, maybe breaking for 12:27:16 25 lunch? 12:27:18</p>
<p>1 BY MS. MILLER: 12:23:59 2 Q. How would you have been aware of 12:24:03 3 it? 12:24:05 4 A. Again, through discussions with 12:24:05 5 the team mentioned. 12:24:15 6 Q. Okay. And your counsel 12:24:17 7 represented that the term "Puerto Rico 12:24:21 8 Infrastructure Fund" is not understood to refer 12:24:25 9 to a specific bank account or accounts or 12:24:27 10 accounting designations. Are you aware of that 12:24:30 11 representation? 12:24:37 12 A. Yes. 12:24:37 13 Q. And do you believe it to be true? 12:24:37 14 A. Yes. 12:24:44 15 Q. How was that term understood? 12:24:54 16 A. What term? 12:24:57 17 Q. The Puerto Rico Infrastructure 12:24:58 18 Fund. 12:25:00 19 A. It's understood to generally refer 12:25:07 20 to the first 117 million of rum Funds, rum 12:25:10 21 revenues. 12:25:25 22 Q. Held in the TSA? 12:25:37 23 A. Would you mind phrasing that as a 12:25:39 24 complete question? 12:25:44 25 Q. Is it understood to generally 12:25:45</p>	<p>1 MS. McKEEN: I think it's fine for 12:27:23 2 us to take a break if Atara is close to a 12:27:24 3 stopping place. 12:27:28 4 MS. MILLER: Okay. I'm okay 12:27:34 5 taking a break. Can we keep it short, like can 12:27:35 6 we come back at 2 o'clock, 1 o'clock Central, 12:27:38 7 does that work? 33 minutes, 32 minutes? 12:27:42 8 MS. McKEEN: Tim, is that okay 12:27:45 9 with you? 12:27:47 10 THE WITNESS: Okay. 12:27:48 11 MS. MILLER: Okay. 12:27:49 12 MS. McKEEN: Fine for us, Atara. 12:27:50 13 MS. MILLER: All right. Great, 12:27:52 14 thank you. 12:27:53 15 THE VIDEOGRAPHER: We are off the 12:27:53 16 record at 12:28 p.m. 12:27:54 17 (Recess taken.) 12:27:56 18 A F T E R N O O N S E S S I O N 12:59:27 19 THE VIDEOGRAPHER: We are back on 01:03:44 20 the record at 1:04 p.m. 01:04:23 21 BY MS. MILLER: 01:04:23 22 Q. Good afternoon, Mr. Ahlberg, 01:04:29 23 welcome back. 01:04:31 24 Do you understand moneys as being 01:04:32 25 deposited into the Infrastructure Fund? 01:04:36</p>

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<p style="text-align: center;">334</p> <p>1 THE VIDEOGRAPHER: Counsel, excuse 01:04:47 2 me, I'm sorry. Before he answers, can we just 01:04:50 3 pause real slightly? I need to resize the 01:04:52 4 screen here and then we can reask the question. 01:04:53 5 I am so sorry. 01:04:56 6 MS. MILLER: That's okay. Okay. 01:04:58 7 BY MS. MILLER: 8 Q. Do you understand moneys as being 01:05:13 9 deposited into the Infrastructure Fund? 01:05:14 10 A. Yes. 01:05:23 11 Q. Do you understand the 01:05:24 12 Infrastructure Fund as being a Fund held by 01:05:25 13 PRIFA? 01:05:29 14 MS. McKEEN: Objection. 01:05:33 15 THE WITNESS: I don't think the 01:05:38 16 Infrastructure Funds as being something held by 01:05:39 17 anyone at all. 01:05:57 18 THE REPORTER: I'm sorry, 01:05:57 19 Mr. Witness, can you repeat your answer and 01:05:58 20 move your phone a little bit closer? Thanks. 01:06:03 21 THE WITNESS: Is this better? 01:06:05 22 THE REPORTER: It is. Thank you. 01:06:08 23 THE WITNESS: Okay. I don't 01:06:10 24 remember the specific answer that I just gave. 01:06:12 25 MS. MILLER: I think for the court 01:06:14</p>	<p style="text-align: center;">336</p> <p>1 documented rotated? 01:07:45 2 MS. MILLER: Sorry. Say that 01:07:45 3 again, Liz. 01:07:47 4 MS. McKEEN: I was just asking to 01:07:48 5 have the document rotated, and it has been. So 01:07:49 6 I appreciate that. 01:07:51 7 THE WITNESS: Okay. Now that we 01:08:08 8 have the document right side up, would you 01:08:09 9 please repeat the question? 01:08:12 10 BY MS. MILLER: 01:08:12 11 Q. Sure. My question was just 01:08:15 12 whether this is a document that you've seen 01:08:16 13 before. 01:08:18 14 A. Yes. 01:08:22 15 Q. Is this a document that you saw in 01:08:23 16 connection with preparation for your testimony 01:08:28 17 today? 01:08:29 18 A. Yes. 01:08:35 19 Q. Is this a document that you had 01:08:36 20 seen before your testimony? 01:08:37 21 A. No. 01:08:41 22 UNIDENTIFIED SPEAKER: Objection. 01:08:43 23 BY MS. MILLER: 01:08:43 24 Q. So you weren't involved in 01:08:45 25 preparing the Flow of Funds, were you? 01:08:49</p>
<p style="text-align: center;">335</p> <p>1 reporter the answer was: 01:06:16 2 I don't think about the 01:06:18 3 Infrastructure Fund as being held by anybody. 01:06:21 4 Is that correct, Mr. Ahlberg? 01:06:22 5 THE WITNESS: That is correct. 01:06:24 6 Thank you. 01:06:25 7 MS. MILLER: I'm going to mark a 01:06:30 8 document as Exhibit -- Monolines Exhibit 23, 01:06:32 9 tab 1510, please. 01:06:36 10 (Monolines Exhibit 23 is 01:06:36 11 introduced for the record.) 01:06:54 12 BY MS. MILLER: 13 Q. And while it's loading, I will 01:06:54 14 describe the document that you'll see on your 01:06:57 15 screen in a minute as Exhibit A to the 01:06:59 16 Supplemental Opposition of the Commonwealth of 01:07:02 17 Puerto Rico to Amended PRIFA Bondholder Motion 01:07:05 18 to Lift the Automatic Stay. And it's titled 01:07:09 19 Flow of Rum Taxes. Do you see that? 01:07:14 20 A. I see that. 01:07:17 21 Q. Okay. And if we could just look 01:07:19 22 at the next page. Is this a document that you 01:07:22 23 recognize? 01:07:31 24 A. Please allow me to rotate it. 01:07:37 25 MS. McKEEN: Could we have the 01:07:42</p>	<p style="text-align: center;">337</p> <p>1 A. I was not involved in preparing 01:08:52 2 this document. 01:08:53 3 Q. Okay. And so I just want to 01:08:57 4 direct your attention to the bottom half of the 01:09:01 5 page on the right-hand side. It identifies the 01:09:03 6 PRIFA Infrastructure Fund. Do you see that? 01:09:10 7 A. Where specifically? 01:09:20 8 Q. There's a red box between two 01:09:21 9 green boxes on the right-hand side. Do you see 01:09:23 10 that? 01:09:31 11 A. Yes, I see that, thank you. 01:09:31 12 Q. Okay. And in the red box, the 01:09:33 13 Flow of Funds is indicating money flowing from 01:09:36 14 the TSA to the Puerto Rico Infrastructure Fund. 01:09:38 15 Do you see that? Do you see that, 01:09:50 16 Mr. Ahlberg? 01:09:51 17 A. I see the green box there, where 01:09:51 18 it says: 01:09:53 19 The lockbox trustee (Citibank) 01:09:54 20 remits up to the first \$117 million of rum tax 01:09:57 21 remittances to the TSA where it is comingled 01:09:58 22 with other funds. 01:10:01 23 Q. Yes. So on top of that, there 01:10:03 24 seems to be blue writing that's identifying the 01:10:06 25 account, and that says TSA (held by 01:10:09</p>

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<p>1 Commonwealth). 01:10:12</p> <p>2 Do you see that? 01:10:12</p> <p>3 A. I see that. 01:10:12</p> <p>4 Q. Okay. And then the flow is 01:10:19</p> <p>5 indicating that moneys are moving from the TSA 01:10:20</p> <p>6 down into the PRIFA Infrastructure Fund which 01:10:24</p> <p>7 is identified on this Flow of Funds as held by 01:10:27</p> <p>8 PRIFA. Do you see that? 01:10:33</p> <p>9 A. I see the arrows that you are 01:10:41</p> <p>10 referring to. 01:10:43</p> <p>11 Q. Okay. And in that red box 01:10:47</p> <p>12 describing the PRIFA Infrastructure Fund, the 01:10:49</p> <p>13 Flow of Funds indicates that historically, the 01:10:53</p> <p>14 Commonwealth appropriated 117 million and 01:10:57</p> <p>15 deposited such moneys into the PRIFA 01:10:59</p> <p>16 Infrastructure Fund for its "corporate 01:11:01</p> <p>17 purposes" and subject to Section 8, Article IV 01:11:03</p> <p>18 of the Puerto Rico Constitution. 01:11:06</p> <p>19 Do you see that? 01:11:08</p> <p>20 A. I see where it says that on this 01:11:08</p> <p>21 document. 01:11:11</p> <p>22 Q. Okay. And based on all of the 01:11:11</p> <p>23 work that you've done in connection with 01:11:14</p> <p>24 putting together Flow of Funds documents, is 01:11:16</p> <p>25 that consistent with your understanding of the 01:11:20</p>	<p>1 into a PRIFA bank account called the 01:12:56</p> <p>2 Infrastructure Fund? 01:12:58</p> <p>3 A. No. 01:13:03</p> <p>4 MS. MILLER: Okay. So now I'd 01:13:13</p> <p>5 like to mark as Monolines Exhibit 24 a letter 01:13:15</p> <p>6 from counsel dated March 21, 2020, which 01:13:28</p> <p>7 attaches a Flow of Funds that I believe you did 01:13:33</p> <p>8 prepare for PRIFA. 01:13:40</p> <p>9 (Monolines Exhibit 24 is 01:13:40</p> <p>10 introduced for the record.) 01:14:22</p> <p>11 MS. MILLER: Would you go back to 01:14:22</p> <p>12 the first page of the exhibit and rotate the 01:14:24</p> <p>13 exhibit, please? 01:14:26</p> <p>14 BY MS. MILLER: 01:14:26</p> <p>15 Q. Okay. Do you recognize this 01:14:28</p> <p>16 document? 01:14:30</p> <p>17 A. Yes. 01:14:30</p> <p>18 Q. And did you prepare this document? 01:14:30</p> <p>19 A. Will you allow me to briefly look 01:14:38</p> <p>20 through the other pages? 01:14:45</p> <p>21 Q. Yes. Do you have the controls 01:14:47</p> <p>22 that you need? 01:14:49</p> <p>23 A. Yes, thank you. 01:14:51</p> <p>24 The answer to your question is 01:14:53</p> <p>25 yes. 01:14:54</p>
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<p>1 PRIFA Flow of Funds? 01:11:23</p> <p>2 MS. McKEEN: Object to form. 01:11:31</p> <p>3 THE WITNESS: I don't know. It's 01:11:32</p> <p>4 not an exercise that we did to map this 01:11:34</p> <p>5 document to the Flow of Funds that I prepared. 01:11:37</p> <p>6 BY MS. MILLER:</p> <p>7 Q. I'm not asking you to map, though. 01:11:42</p> <p>8 I'm just asking you whether it is consistent 01:11:45</p> <p>9 with your -- everything that you know and all 01:11:47</p> <p>10 of the analysis that you did -- have done that 01:11:51</p> <p>11 the moneys flowed from the TSA into a bank 01:11:56</p> <p>12 account held by PRIFA called the Puerto Rico 01:12:01</p> <p>13 Infrastructure Fund. 01:12:04</p> <p>14 A. Would you please repeat the 01:12:17</p> <p>15 question? 01:12:18</p> <p>16 Q. Is it consistent, based on all of 01:12:22</p> <p>17 the work and analysis that you did putting 01:12:24</p> <p>18 together the PRIFA Flow of Funds in this 01:12:27</p> <p>19 matter, is it your understanding -- 01:12:29</p> <p>20 A. I don't know. I did not analyze 01:12:39</p> <p>21 this document for consistency with the Flow of 01:12:42</p> <p>22 Funds documents that I prepared. 01:12:45</p> <p>23 Q. Okay. Is it your understanding, 01:12:46</p> <p>24 based on all of the work that you've done, that 01:12:49</p> <p>25 money flowed historically from the TSA account 01:12:52</p>	<p>1 Q. Okay. And what documents did you 01:14:55</p> <p>2 review in preparing these Flow of Funds? 01:15:00</p> <p>3 A. Generally, we reviewed bank 01:15:07</p> <p>4 statements and transfer letters or voucher 01:15:10</p> <p>5 information. 01:15:13</p> <p>6 Q. Okay. And I want to look at the 01:15:19</p> <p>7 first slide on this, which is the rum taxes 01:15:23</p> <p>8 June '14 to June 2015. And I know yesterday -- 01:15:26</p> <p>9 or Tuesday, you had a discussion with 01:15:31</p> <p>10 Mr. Natbony about the various colors used in 01:15:33</p> <p>11 the chart and what they mean, and I just want 01:15:37</p> <p>12 to confirm with you that they have the same 01:15:39</p> <p>13 meaning in the PRIFA Flow of Funds as they did 01:15:42</p> <p>14 in the HTA Flow of Funds that you were asked 01:15:45</p> <p>15 about on Tuesday. 01:15:47</p> <p>16 A. Yes. 01:15:58</p> <p>17 Q. Okay. And so to review, the gray 01:15:58</p> <p>18 box indicates a Commonwealth account; is that 01:16:00</p> <p>19 right? 01:16:06</p> <p>20 A. Yes. 01:16:06</p> <p>21 Q. And what does the blue box 01:16:07</p> <p>22 indicate? 01:16:09</p> <p>23 A. In this -- in these cases, the 01:16:10</p> <p>24 blue boxes would indicate that PRIFA's name 01:16:14</p> <p>25 would be on the bank statements of those 01:16:19</p>

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<p>1 accounts. 01:16:21</p> <p>2 Q. Okay. And when you say PRIFA's 01:16:23</p> <p>3 name would be on it, do you mean as account 01:16:26</p> <p>4 holder? 01:16:28</p> <p>5 A. Yes. 01:16:34</p> <p>6 Q. Okay. And what does the yellow 01:16:36</p> <p>7 box indicate? 01:16:39</p> <p>8 A. Yellow box indicates an account 01:16:41</p> <p>9 that is not a Commonwealth or PRIFA account. 01:16:44</p> <p>10 Q. Okay. And I know it all starts 01:16:49</p> <p>11 with a curved edge with an orange box or peach 01:16:53</p> <p>12 box. I don't know what color that's supposed 01:16:58</p> <p>13 to be. What does that indicate? 01:17:01</p> <p>14 A. That indicates the rum taxes. 01:17:06</p> <p>15 Q. And it's just the taxes 01:17:13</p> <p>16 themselves? 01:17:15</p> <p>17 A. Yeah, yes. 01:17:18</p> <p>18 Q. And when generated before they 01:17:21</p> <p>19 flow into a Commonwealth -- any Commonwealth or 01:17:26</p> <p>20 Commonwealth instrumentality account; is that 01:17:29</p> <p>21 right? 01:17:33</p> <p>22 A. Correct, as in when funds are 01:17:33</p> <p>23 collected in bonded warehouses. 01:17:35</p> <p>24 Q. All right. I missed the end, 01:17:38</p> <p>25 "collected in bonded warehouses"? 01:17:40</p>	<p>1 account. 01:19:12</p> <p>2 Q. And what money specifically is 01:19:17</p> <p>3 this Flow of Funds tracking? 01:19:24</p> <p>4 A. This Flow of Funds is tracking the 01:19:26</p> <p>5 first 117 million of rum revenues in this time 01:19:32</p> <p>6 period, within this time period. 01:19:39</p> <p>7 Q. Okay. I'm going to ask a basic 01:19:41</p> <p>8 question. I hope you can help me with it. 01:19:45</p> <p>9 How were you able to determine 01:19:49</p> <p>10 when the moneys flowed from the 006 account to 01:19:52</p> <p>11 the GDB 1891 account if those were part of this 01:19:55</p> <p>12 \$117 million of rum taxes? 01:20:05</p> <p>13 A. By reviewing either transfer 01:20:11</p> <p>14 letter or voucher information that would have 01:20:14</p> <p>15 indicated a source of funds for that transfer. 01:20:17</p> <p>16 Q. Can you explain to me a little bit 01:20:24</p> <p>17 more what you mean? 01:20:28</p> <p>18 A. In review of transfer letters or 01:20:29</p> <p>19 vouchers that correspond with a transfer from 01:20:37</p> <p>20 GDB account 0006 to GDB account 1891, there 01:20:42</p> <p>21 would be an indication that the source of 01:20:48</p> <p>22 revenue for that cash transfer was in fact 01:20:51</p> <p>23 rum -- rum proceeds. 01:20:57</p> <p>24 Q. So meaning if there was a letter 01:21:02</p> <p>25 from Treasury saying send 35 million -- or 01:21:04</p>
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<p>1 A. I think that's the -- the term 01:17:46</p> <p>2 that's used by U.S. Treasury. Maybe I don't 01:17:47</p> <p>3 recall that term specifically. 01:17:51</p> <p>4 Q. Okay. Can you just -- it's not a 01:17:53</p> <p>5 term I'm familiar with. Can you just tell me 01:17:55</p> <p>6 what that means? 01:17:59</p> <p>7 A. Just in general, meaning that U.S. 01:18:00</p> <p>8 Treasury or U.S. Treasury collects these taxes 01:18:03</p> <p>9 at different -- at different points of 01:18:07</p> <p>10 collection. 01:18:13</p> <p>11 Q. All right. And then they all flow 01:18:14</p> <p>12 into, at this time, January '14 to June '15, 01:18:19</p> <p>13 into the 006 account; is that right? 01:18:22</p> <p>14 A. Correct. 01:18:26</p> <p>15 Q. Okay. And then certain 01:18:28</p> <p>16 accounts -- of these accounts have yellow stars 01:18:31</p> <p>17 on them. And is that, as you testified on 01:18:35</p> <p>18 Tuesday, to denote accounts that have comingled 01:18:41</p> <p>19 funds? 01:18:49</p> <p>20 A. Correct. 01:18:49</p> <p>21 Q. And what do you mean by "comingled 01:18:50</p> <p>22 funds"? 01:18:55</p> <p>23 A. On this specific slide, the 01:18:55</p> <p>24 comingling designation would represent that 01:18:57</p> <p>25 revenues besides rum taxes are received into an 01:19:05</p>	<p>1 \$23 million from the 006 account to the 1891 01:21:09</p> <p>2 account as the first transfer of rum excise 01:21:12</p> <p>3 taxes, that was evidence to you that if you saw 01:21:17</p> <p>4 that \$23 million transfer into 1891, that that 01:21:19</p> <p>5 was in fact from the rum excise taxes. Is that 01:21:25</p> <p>6 your testimony? 01:21:30</p> <p>7 A. Right. That hypothetical 01:21:34</p> <p>8 \$23 million transfer would have accompanying 01:21:37</p> <p>9 transfer letter or voucher detail that would 01:21:41</p> <p>10 indicate the source of funds for that transfer 01:21:43</p> <p>11 being rum revenues. 01:21:46</p> <p>12 Q. Okay. And are the transfer 01:21:47</p> <p>13 letters and vouchers maintained as part of the 01:21:49</p> <p>14 Commonwealth accounting documents? 01:21:56</p> <p>15 MS. McKEEN: Object. 01:21:59</p> <p>16 THE WITNESS: The Commonwealth 01:22:05</p> <p>17 maintains and -- maintains historical records 01:22:07</p> <p>18 of vouchers or transfers, if that's what you 01:22:11</p> <p>19 meant. 01:22:14</p> <p>20 BY MS. MILLER: 01:22:14</p> <p>21 Q. Okay. And can you tell me 01:22:15</p> <p>22 specifically what in a voucher would identify 01:22:16</p> <p>23 the source of funds? 01:22:19</p> <p>24 A. I don't recall specifically 01:22:34</p> <p>25 without looking at an individual voucher. 01:22:34</p>

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1 Q. Okay. And so you don't recall	01:22:37	1 query, I don't think of that query as spitting	01:25:27
2 specifically any particular notation account	01:22:39	2 out the voucher, factual voucher that	01:25:31
3 number or other designation on a transfer	01:22:45	3 corresponds with each of those transactions.	01:25:37
4 voucher that would indicate that revenues are	01:22:47	4 Vouchers are recorded within the system, and	01:25:41
5 from the first \$117 million of rum excise	01:22:50	5 you can go in and pull vouchers.	01:25:44
6 taxes; is that right?	01:22:55	6 Q. Well, would it -- what would the	01:25:50
7 MS. McKEEN: Objection.	01:22:57	7 output be of that query in the PRIFA system?	01:25:53
8 BY MS. MILLER:	01:22:59	8 A. You could run a report within the	01:26:03
9 Q. Let me just ask it straight up:	01:22:59	9 PRIFA system that would show all revenue earned	01:26:05
10 Do you recall any specific	01:23:01	10 during a discrete time period of your choosing	01:26:11
11 notation or account number on the transfer	01:23:02	11 under any revenue account code, but specific to	01:26:14
12 voucher that would indicate that the revenues	01:23:06	12 this case for Revenue Code 4220, I believe it	01:26:17
13 are from the first \$117 million of rum excise	01:23:09	13 wasn't.	01:26:25
14 taxes?	01:23:12	14 Q. And how long would it take to run	01:26:25
15 MS. McKEEN: Objection.	01:23:15	15 such a query and get the report?	01:26:27
16 THE WITNESS: There is a -- excuse	01:23:16	16 A. I am not certain exactly how long	01:26:36
17 me. There is a revenue code, revenue SFRA	01:23:19	17 it takes to process a query like that, but I	01:26:37
18 account code that is used when recording the	01:23:25	18 would imagine that would be something that	01:26:41
19 revenues from rum proceeds.	01:23:29	19 could be accomplished in a day.	01:26:44
20 BY MS. MILLER:	01:23:31	20 Q. Do you know whether queries can be	01:26:48
21 Q. And what is that revenue code?	01:23:31	21 run in the PRIFA system remotely or whether you	01:26:50
22 A. I can't recall specifically off	01:23:38	22 need to specifically be within the Treasury	01:26:57
23 the top of my head. I think it's R2220, but I	01:23:40	23 offices to run them?	01:26:59
24 would be able to know if we looked at a	01:23:44	24 A. I'm not positive. I think there	01:27:02
25 voucher together to verify.	01:23:48	25 are DCMs that exist for people to run queries	01:27:08
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1 Q. Okay. Well, that's -- does R4220	01:23:49	1 if they're not physically there, but I would	01:27:10
2 sound familiar?	01:23:54	2 have to double-check on that and let you know	01:27:13
3 A. It sounds familiar, but without	01:23:59	3 for certain.	01:27:16
4 looking at the voucher to confirm, I am not	01:24:00	4 Q. Have you personally ever accessed	01:27:17
5 100 percent positive.	01:24:03	5 the PRIFA system and run a query on anything	01:27:19
6 Q. Okay. Would the voucher tell you	01:24:04	6 remotely?	01:27:21
7 specifically that it's rum taxes, or would it	01:24:05	7 A. No.	01:27:25
8 just have that account code on it?	01:24:08	8 Q. Okay. Do you know whether the	01:27:29
9 A. It will have the -- a voucher	01:24:09	9 R4220 revenue code continues to attach to rum	01:27:30
10 would have that account code, and the voucher	01:24:21	10 taxes that are collected today?	01:27:39
11 may or may not reference rum on the voucher	01:24:24	11 A. I believe that that revenue	01:27:49
12 apart from just a revenue code.	01:24:29	12 account code is still used to record rum	01:27:51
13 Q. And would you be able to go into	01:24:33	13 revenues that are earned.	01:27:53
14 the PRIFA system and pull all vouchers within	01:24:35	14 Q. Okay. And this chart, which is	01:28:18
15 R4220 revenue there?	01:24:40	15 part of Monolines Exhibit 24, indicates four	01:28:21
16 A. I'm not positive. We would have	01:24:57	16 dotted arrow lines going from the 006 account	01:28:27
17 to follow up on that and get back to you.	01:25:01	17 to a GDB 0704 account. Do you see that?	01:28:30
18 Q. So you don't know if the revenue	01:25:04	18 A. Yes.	01:28:37
19 code is a query that you can run within the	01:25:06	19 Q. Do you know what the GDB 0704	01:28:37
20 system?	01:25:08	20 account is?	01:28:42
21 A. I know for a fact that you can run	01:25:09	21 A. An operational account at PRIFA.	01:28:48
22 a query within the PRIFA system and the	01:25:13	22 Q. And the dotted arrow is footnoted	01:28:55
23 parameters of which Revenue Code 4220 could be	01:25:16	23 to mean that it's a discrete one-time transfer.	01:29:02
24 one of those parameters. But when I think	01:25:20	24 Do you see that?	01:29:05
25 about programming that query and running that	01:25:24	25 A. I do see that.	01:29:05

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<p>1 Q. Is that a designation that you put 01:29:06 2 on that? 01:29:09</p> <p>3 A. Yes. 01:29:14</p> <p>4 Q. Sorry. Is that a designation that 01:29:15 5 you attributed to those transfers? 01:29:17</p> <p>6 A. Yes. 01:29:19</p> <p>7 Q. What do you mean by a discrete 01:29:19 8 one-time transfer? 01:29:30</p> <p>9 A. I mean a one-time transfer. In 01:29:41 10 this case, there were four one-time transfers 01:29:45 11 for the exact same amount. 01:29:48</p> <p>12 Q. How does that differ from the 01:29:49 13 transfers between, for example, the 006 account 01:29:51 14 and the 1891 account? 01:29:55</p> <p>15 A. I believe there are just more 01:30:08 16 than -- more -- more transfers and then in 01:30:11 17 differing amounts. 01:30:13</p> <p>18 Q. Do you know how many transfers of 01:30:22 19 rum taxes there were annually from the 006 01:30:23 20 account to the 1891 account? 01:30:28</p> <p>21 A. I don't know off the top of my 01:30:40 22 head how many transfers there were from 0006 to 01:30:43 23 1891. 01:30:49</p> <p>24 Q. And if there had only been four, 01:30:49 25 you would have designated them by dotted arrow 01:30:50</p>	<p>1 purposes of PRIFA, which is different than the 01:33:08 2 transfers to GDB 1891, which end up flowing to 01:33:13 3 a US Bank. 01:33:18</p> <p>4 Q. And what's the difference? 01:33:21</p> <p>5 A. Those four million dollar -- those 01:33:25 6 four \$1 million transfers were transferred to 01:33:30 7 PRIFA for operational purposes. 01:33:36</p> <p>8 Q. Okay. And is the flow from 006 to 01:33:42 9 1891 not indicated by a broken arrow because 01:33:46 10 those transfers were subject to legislation or 01:33:54 11 some other obligation to transfer those moneys? 01:34:00</p> <p>12 MS. McKEEN: Objection. 01:34:06</p> <p>13 THE WITNESS: I did not consider 01:34:09 14 legislation or allegations when determining 01:34:11 15 whether to use a dotted line or a bold, 01:34:14 16 nondotted line. 01:34:20</p> <p>17 BY MS. MILLER: 01:34:21</p> <p>18 Q. Did you consider whether there was 01:34:21 19 a standing direction to transfer the money? 01:34:23</p> <p>20 A. That would not have been something 01:34:34 I considered when determining whether to use a 01:34:36 dotted line or not. 01:34:38</p> <p>21 Q. Okay. So what did you consider in 01:34:39 22 determining whether to use a dotted line or 01:34:42 not? 01:34:44</p>
<p>1 line? 01:30:52</p> <p>2 I'm trying to understand. Is the 01:30:59</p> <p>3 number of transfers the only thing that is 01:31:01</p> <p>4 different between the dotted arrow transfers 01:31:03</p> <p>5 and the solid arrow transfer? 01:31:05</p> <p>6 A. Okay. Would you mind repeating 01:31:23</p> <p>7 the question, please? 01:31:25</p> <p>8 Q. If there had been only four 01:31:28</p> <p>9 transfers of rum taxes from the 006 account to 01:31:30</p> <p>10 the 1891 account, would you have designated 01:31:35</p> <p>11 them on this Flow of Funds with dotted arrows? 01:31:37</p> <p>12 A. No. The dotted arrows and the use 01:32:00</p> <p>13 of those four -- the four \$1 million transfers 01:32:12</p> <p>14 from GDB 0006 to 0704 was done with the reader 01:32:18</p> <p>15 of this presentation in mind just to make 01:32:25</p> <p>16 things as understandable as possible. 01:32:27</p> <p>17 Q. Okay. Given that it's confusing 01:32:32</p> <p>18 me, I'm asking for a little bit of 01:32:34</p> <p>19 clarification. 01:32:36</p> <p>20 So the -- I'm trying to 01:32:38</p> <p>21 understand. Does the dotted line distinguish 01:32:44</p> <p>22 between the nature of the transfer from box to 01:32:50</p> <p>23 box? 01:32:55</p> <p>24 A. The transfers from 0006 to 0704 do 01:32:58</p> <p>25 represent discrete transfers for operational 01:33:06</p>	<p>1 A. As mentioned, those dotted lines 01:34:46 2 represent \$1 million transfers to PRIFA's 01:34:49 3 operational account for operation purposes, 01:34:53 4 which is different than the transfers to 01:34:56 5 Account 1891, which are not used for 01:34:58 6 operational purposes during this time period 01:35:00 7 into a US Bank. 01:35:05</p> <p>8 Q. Do the dotted lines mean used for 01:35:05 9 operational purposes and in light of the fact 01:35:08 10 they're footnoted? 01:35:13</p> <p>11 A. The dotted lines are a discrete 01:35:15 12 one-time transfer, and then just for added 01:35:19 13 clarification, I've explained to you that those 01:35:22 14 represent operational transfers. 01:35:27</p> <p>15 Q. How does a discrete one-time 01:35:28 16 transfer differ from the transfers from 006 to 01:35:30</p> <p>17 1891? 01:35:34</p> <p>18 A. Discrete one-time transfers were 01:35:45 19 transferred for operational purposes to PRIFA's 01:35:48 20 operational account. 01:35:51</p> <p>21 Q. Okay. I'm going to just move on 01:35:58 22 because I'm not getting an answer, but I still 01:36:00 23 don't understand it. So we may follow up with 01:36:02 24 a letter to get a more comprehensive answer and 01:36:08 explanation for what "discrete one-time 01:36:09</p>

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<p>1 transfer" means. 2 Do you know whether those moneys 3 that were transferred into the 0704 account 4 were transferred out of that account? 5 A. I do not know because once those 6 transfers are within the PRIFA operational 7 account, they are comingled and 8 indistinguishable from other sources of 9 revenue. 10 Q. Okay. So if you had been able to 11 distinguish and identify the \$4 million from 12 the 0704 account based on transfer vouchers, 13 transfer orders or other documents, you would 14 have indicated the next step in the Flow of 15 Funds for those moneys; is that right? 16 MS. McKEEN: Objection. 17 BY MS. MILLER: 18 Q. Let me just ask it. 19 If you had been able to 20 distinguish and identify those \$4 million on 21 the outflow side as coming from the rum tax 22 revenues, would you have shown the next step in 23 the Flow of Funds from the 0704 account? 24 A. I'm assuming that those funds are 25 comingled into Account 0704 and that you'd be</p>	<p>01:36:15 01:36:16 01:36:18 01:36:21 01:36:41 01:36:43 01:36:47 01:36:49 01:36:52 01:36:52 01:36:55 01:36:58 01:37:04 01:37:08 01:37:11 01:37:15 01:37:19 01:37:19 01:37:22 01:37:23 01:37:25 01:37:27 01:37:31 01:37:43 01:37:48</p> <p>1 A. Correct. 2 Q. Okay. So my question is on GDB 3 0704, if you similarly had evidence like what 4 you had with respect to the transfer from 006 5 to 1891 that indicated that the next step in 6 the Flow of Funds related directly to the rum 7 tax revenues, would it have been so indicated 8 on this chart? 9 A. Would you repeat the question 10 again? 11 Q. Okay. I'm just going to ask 12 another question, then move on. 13 Did you do anything -- sorry, 14 scratch that. 15 Did you look at the outflows from 16 the 0704 account to indicate whether you could 17 identify rum tax revenues as a source of the 18 revenue for any of those outflows? 19 A. No. It was my understanding that 20 they are comingled in Account 0704 and 21 indistinguishable from one another. 22 MS. MILLER: Okay. I want to 23 look -- I'm going to mark as Exhibit 25 24 tab 1202, please.</p>
<p>355</p> <p>1 unable to distinguish transfers whose source of 2 revenue is these transfers in or were not -- or 3 other transfers into Account 0704. 4 Q. Okay. But the rum tax revenues 5 are comingled into the 006 account, right? And 6 you just explained, I think quite well, how you 7 were able to identify and distinguish them from 8 all the other money in the 006 account as being 9 transferred into the 1891 account, right? 10 A. Would you mind repeating that? 11 Q. Yeah. The rum taxes flowed into 12 the 006 account, which itself is a comingled 13 account, correct? 14 A. Correct. 15 Q. But you were able to distinguish 16 the rum tax revenues that flowed from the 17 comingled account into the GDB 1891 account, 18 right? 19 A. We were able to determine that the 20 source of funds of that transfer from 0006 to 21 1891 was rum tax revenues. 22 Q. Okay. So the fact that the moneys 23 were in a comingled account didn't preclude you 24 from identifying, as they flowed out, what the 25 source of those revenues were, correct?</p>	<p>01:37:52 01:37:55 01:37:58 01:38:03 01:38:05 01:38:09 01:38:13 01:38:15 01:38:17 01:38:31 01:38:41 01:38:48 01:38:51 01:38:54 01:38:58 01:39:02 01:39:06 01:39:10 01:39:12 01:39:18 01:39:19 01:39:21 01:39:26 01:39:29</p> <p>1 (Monolines Exhibit 25 is 2 introduced for the record.) 3 BY MS. MILLER: 4 Q. Okay. Mr. Ahlberg, you have in 5 front of you a document that was marked 6 Monolines Exhibit 25. Do you see that? 7 A. I see the document, yes. 8 Q. Is this a document that you've 9 seen before? 10 A. Do you have a certified 11 translation of this document? 12 Q. I do. Do you need an English 13 translation to tell me whether you've seen it 14 before? You probably haven't seen the English 15 translation before. 16 MS. MILLER: I think -- Kevin, I 17 think the English translation is 1202A, if you 18 want to load that, and maybe we can merge them 19 into a combined exhibit. 20 Does anyone have an objection if 21 we mark this as 1202A and then we merge it into 22 a combined exhibit at the end of the deposition 23 so we don't have two exhibits? 24 MS. McKEEN: I don't have an 25 objection to that. I think for Exhibit 25, it</p>

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<p>1 would certainly be helpful for the record if 01:43:25 2 that exhibit, plus the original certified 01:43:28 3 translation is one exhibit. I think that's how 01:43:32 4 we did prior deposition exhibits. 01:43:34</p> <p>5 MS. MILLER: Okay. Perfect. 01:43:36</p> <p>6 BY MS. MILLER:</p> <p>7 Q. Okay. So, Mr. Ahlberg, you now 01:43:39 8 have in front of you Exhibit 25, what's now 01:43:42 9 being marked as 25A, but I'm just going to 01:43:44 10 refer to it as Exhibit 25 because we are going 01:43:47 11 to merge them after the deposition, and this is 01:43:50 12 the certified English translation of the 01:43:52 13 account opening document. 01:43:55</p> <p>14 A. Okay. Thanks. 01:44:02</p> <p>15 MS. MILLER: Okay. All right. My 01:44:07 16 team is telling me that my binder has some 01:44:08 17 stuff earlier, that they're already merged in 01:44:11 18 the system, so it's all Exhibit 25, and the 01:44:14 19 back pages are the certified English 01:44:18 20 translation. So you can go back and forth as 01:44:20 21 necessary. 01:44:23</p> <p>22 BY MS. MILLER:</p> <p>23 Q. So, Mr. Ahlberg, now that you have 01:44:24 24 the English in front of you, can you tell me 01:44:25 25 whether this is a document that you've seen 01:44:28</p>	<p>1 then if you turn to the third page of 01:46:08 2 Exhibit 25. Okay. So it has the information 01:46:11 3 and it identifies an account number. Do you 01:46:18 4 see that? 01:46:20</p> <p>5 A. Yes. 01:46:20</p> <p>6 Q. And you see the account is the 01:46:26 7 1891 account; is that right? 01:46:27</p> <p>8 A. Yes. 01:46:35</p> <p>9 Q. And if we could just go back one 01:46:35 10 page, it indicates there's a depositor agency 01:46:38 11 listed. Do you see that? 01:46:48</p> <p>12 A. Yes, I see that. 01:46:51</p> <p>13 Q. And what deposit -- what is the 01:46:52 14 depositor agency? 01:46:58</p> <p>15 A. It says on this document that the 01:46:59 16 depositor agency is the Banco Gubernamental de 01:47:01 17 Fomento para PR. 01:47:08</p> <p>18 Q. Okay. And if you go to the next 01:47:08 19 page in the exhibit, it identifies the customer 01:47:10 20 name. Do you see that? 01:47:15</p> <p>21 A. Under Customer Name I see Banco 01:47:16 22 Gubernamental de Fomento para PR. 01:47:29</p> <p>23 Q. Okay. And then if we could just 01:47:29 24 look at the next -- or sorry -- two pages out, 01:47:34 25 the 4741, this is an e-mail chain dated -- I 01:47:38</p>
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<p>1 before?</p> <p>2 A. I have not reviewed this specific 01:44:36 3 document before. 01:44:37</p> <p>4 Q. Okay. Have you seen other 01:44:41 5 documents like this before? 01:44:43</p> <p>6 A. I have seen other agreements for 01:44:49 7 opening of bank accounts. 01:44:51</p> <p>8 Q. Okay. Hold on a second. Hold on 01:44:54 9 a second. I lost it. I'll see if it comes 01:44:57 10 back up again. 01:44:57</p> <p>11 Okay. So I want you just to look 01:45:12 12 at the document. Do you see at the top it 01:45:15 13 indicates -- excuse me -- it indicates the 01:45:17 14 agency? 01:45:19</p> <p>15 A. I see that under Agency it says: 01:45:33 16 Banco Gubernamental de Fomento para PR. 01:45:39</p> <p>17 Q. Okay. And do you see the name of 01:45:39 18 this bank account, that the purpose of the 01:45:40 19 account is AFI bond debt service? Do you see 01:45:44 20 that? 01:45:49</p> <p>21 A. I see that. 01:45:49</p> <p>22 Q. And you understand AFI to be the 01:45:49 23 Spanish acronym for PRIFA? 01:45:52</p> <p>24 A. Yes. 01:45:54</p> <p>25 Q. Okay. And this account -- and 01:46:06</p>	<p>1 guess it runs from November 18, 2009, through 01:47:51 2 November 20th, 2009. Do you see that? 01:47:54</p> <p>3 A. Yes. 01:48:02</p> <p>4 Q. And are you familiar with any of 01:48:03 5 the people who are involved in this e-mail 01:48:07 6 chain? 01:48:10</p> <p>7 A. I'm not familiar with any of the 01:48:23 8 individuals whose names are on this e-mail 01:48:25 9 chain. 01:48:27</p> <p>10 Q. Okay. But you see they're all 01:48:27 11 identified as being at the GDB? 01:48:29</p> <p>12 A. That's what it says here. 01:48:36</p> <p>13 Q. Okay. And if you look at the top 01:48:38 14 e-mail in the chain as the most recent -- or 01:48:40 15 sorry -- the second e-mail down on the page, 01:48:44 16 the one with the time stamp November 19, 2009, 01:48:46 17 at 9:10 a.m., do you see that? 01:48:50</p> <p>18 A. Yes. 01:48:56</p> <p>19 Q. And there's a question that says: 01:48:56 20 Hi, Arnaldo, can you please 01:48:59 21 provide me with the title of Mr. Rivera and 01:49:00 22 Mr. Garcia? I would also like to know if the 01:49:03 23 account is in the name of ASI or of the bank. 01:49:07</p> <p>24 Do you see that? 01:49:10</p> <p>25 A. Yes, I see that. 01:49:10</p>

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1 Q. And do you see the response?	01:49:12	1 Okay. And when you said PRIFA's	01:52:08
2 A. Yes, I see the response.	01:49:20	2 name would be on it, do you mean as an account	01:52:10
3 Q. Okay. And can you just read the	01:49:21	3 holder?	01:52:12
4 second line of the response?	01:49:24	4 And you said:	01:52:13
5 A. Is it okay if I read the whole	01:49:28	5 Yes.	01:52:13
6 response?	01:49:37	6 Do you recall me asking those	01:52:14
7 Q. Yeah, you can read the whole	01:49:39	7 questions and you giving those answers?	01:52:16
8 thing. I just meant aloud.	01:49:39	8 A. Yes.	01:52:19
9 A. Gabriel Rivera is the director of	01:49:43	9 Q. I'm asking you what the basis is	01:52:23
10 public financing and Jesus Garcia is the	01:49:46	10 for your testimony that PRIFA is an account	01:52:26
11 Assistant Director of Public Financing. In the	01:49:50	11 holder of the 1891 account.	01:52:31
12 name of the bank, But referencing the AFI Debt	01:49:53	12 A. I remember answering your	01:52:38
13 Service.	01:49:56	13 question, original question in that way, and	01:52:40
14 Q. Okay. And just looking back at	01:49:57	14 what I meant is that I knew that PRIFA's name	01:52:42
15 the Flow of Funds which is Exhibit 24, from	01:49:59	15 was on the bank statements. I'm just -- I'm	01:52:44
16 January 2014 to January 2015 -- sorry -- to	01:50:04	16 not an attorney. I'm not certain if account	01:52:49
17 June 2015, do you see the 1891 account on this	01:50:09	17 holder or not holder is a legal term that has	01:52:52
18 exhibit?	01:50:28	18 an implication I'm not aware of.	01:52:55
19 A. Yes, I see the account 1891.	01:50:28	19 Q. I'm not talking about a legal	01:52:57
20 Q. Okay. And you testified	01:50:30	20 term. I'm just asking you whether it is a	01:52:59
21 previously that blue meant that it was in	01:50:31	21 PRIFA account or not a PRIFA account.	01:53:02
22 PRIFA's name; is that right?	01:50:34	22 A. And my answer would be that	01:53:09
23 A. Yeah, I referenced that PRIFA's	01:50:40	23 PRIFA's name is on the bank statement.	01:53:12
24 name would be on the bank statement.	01:50:44	24 Q. So you don't know if it's a PRIFA	01:53:15
25 Q. Okay. And what's the basis for	01:50:46	25 account or not?	01:53:17
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1 your position that the 1891 account was held in	01:50:52	1 MS. McKEEN: Objection.	01:53:18
2 PRIFA's name?	01:50:55	2 THE WITNESS: I know PRIFA's name	01:53:23
3 A. I didn't say it was held in	01:50:59	3 is on the bank statement.	01:53:24
4 PRIFA's name. I just mentioned that PRIFA's -	01:51:01	4 MS. MILLER: Can I ask someone	01:53:36
5 PRIFA's name would be on the bank statements.	01:51:04	5 from my team to pull up a bank statement for	01:53:39
6 Q. Okay. So I think you said that,	01:51:08	6 the 1891 account so Mr. Ahlberg can show us	01:53:42
7 and then I specifically asked you -- and we can	01:51:11	7 where PRIFA's name is on the account statement,	01:53:46
8 go back if you need to, but I specifically	01:51:14	8 please?	01:53:52
9 asked if by that you meant that PRIFA was the	01:51:16	9 BY MS. MILLER:	01:53:52
10 account holder. Do you recall that?	01:51:20	10 Q. This might take a minute,	01:53:55
11 A. I do recall you asking me that	01:51:30	11 Mr. Ahlberg. I apologize.	01:53:56
12 question.	01:51:31	12 A. No problem.	01:54:00
13 Q. Okay. And you said yes. Do you	01:51:33	13 Q. While you're waiting or while	01:54:27
14 recall giving me that answer?	01:51:35	14 we're waiting, based on Exhibit 25 that we just	01:54:30
15 A. Yes, I do remember giving that	01:51:36	15 looked at, would you agree with me that the GDB	01:54:32
16 answer. I meant to answer in the context of	01:51:43	16 is the account holder of the 1891 account?	01:54:35
17 meaning that PRIFA's name would be on their	01:51:49	17 A. You asked me to confirm if GDB is	01:54:58
18 bank statement.	01:51:51	18 the account holder of this account?	01:55:01
19 Q. Well, I said:	01:51:55	19 Q. I'm asking you whether, based on	01:55:04
20 What does the blue box indicate?	01:51:58	20 Monolines Exhibit 25, which we could put that	01:55:08
21 And you said:	01:52:00	21 one back up, you would agree with me that the	01:55:13
22 In the case of the blue box, it	01:52:02	22 GDB is actually the account holder of the 1891	01:55:16
23 would indicate that PRIFA's name would be on	01:52:03	23 account?	01:55:19
24 the bank account statement of those accounts.	01:52:05	24 A. I don't know if there's a specific	01:55:30
25 And I said:	01:52:07	25 way you're using "account holder." I'm just --	01:55:32

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<p>1 not being an attorney, I'm uncertain of the 01:55:36 2 implications of that phrase "account holder." 01:55:39</p> <p>3 Q. Do you own a bank account, 01:55:42 4 Mr. Ahlberg? 01:55:44</p> <p>5 A. I do have bank accounts. 01:55:45</p> <p>6 Q. Okay. Do you understand what it 01:55:47 7 means when someone asks you if you're the 01:55:49 8 account holder of a certain account? 01:55:55</p> <p>9 A. Generally, I would understand if 01:56:01 10 someone asked me that question. 01:56:03</p> <p>11 Q. Okay. Do you have any joint bank 01:56:07 12 accounts? 01:56:14</p> <p>13 A. No. 01:56:14</p> <p>14 Q. How do you understand that 01:56:19 15 generally when someone -- if someone were to 01:56:21 16 ask you that? 01:56:25</p> <p>17 UNIDENTIFIED SPEAKER: Object to 01:56:26 18 form. 01:56:26</p> <p>19 THE WITNESS: If someone were to 01:56:26 20 ask me what? Would you mind repeating the 01:56:29 21 question? 01:56:29</p> <p>22 BY MS. MILLER: 01:56:31</p> <p>23 Q. If someone were to ask you if you 01:56:31 24 were the account holder of a particular bank 01:56:33 25 account. 01:56:36</p>	<p>1 Q. Okay. So what criteria did you 01:58:09 2 apply to the GDB 1891 account that resulted in 01:58:11 3 you designating it as a blue box? 01:58:14</p> <p>4 A. In color coding as a general 01:58:25 5 association and to help the reader interpret 01:58:29 6 this presentation, but understanding that 01:58:31 7 PRIFA's name was on the bank statement, I 01:58:34 8 thought it was appropriate to make that box 01:58:38 9 blue. 01:58:41</p> <p>10 (Monolines Exhibit 26 is 01:58:41 11 introduced for the record.) 01:58:41</p> <p>12 BY MS. MILLER: 01:58:42</p> <p>13 Q. Okay. So now we are looking at a 01:58:42 14 bank statement that's been marked Monolines 01:58:45 15 Exhibit 26, and when you say that PRIFA's name 01:58:48 16 was on the bank statement, do you mean that 01:58:53 17 PRIFA's name is indicated in the account name? 01:58:55</p> <p>18 A. PRIFA in this exact bank statement 01:59:05 19 example that we're looking at, that is correct, 01:59:08 20 that PRIFA's listed in the account name under 01:59:11 21 the Spanish acronym AFI. 01:59:16</p> <p>22 Q. You don't see PRIFA's name 01:59:18 23 anywhere else, do you? 01:59:20</p> <p>24 Well, sorry. You don't see 01:59:21 25 PRIFA's name as an account holder, right? 01:59:23</p>
<p>367</p> <p>1 A. In the context of my own personal 01:56:41 2 finances, I would think that would mean that 01:56:44 3 it's an account that -- that I have the ability 01:56:46 4 to withdraw funds from or deposit funds into. 01:56:51</p> <p>5 THE REPORTER: I'm sorry. Excuse 01:57:11 6 me one moment. I'm sorry. 01:57:11</p> <p>7 I just wanted to ask, Ms. McKeen, 01:57:11 8 would you mind moving the phone closer to you? 01:57:13</p> <p>9 You're very faint with your objections. Sorry. 01:57:15 10 Go ahead. 01:57:17</p> <p>11 MS. McKEEN: (Indiscernible) I 01:57:17 12 haven't objected in several questions. So I'm 01:57:18 13 not sure if you heard any. That wasn't me. I 01:57:20 14 didn't hear an opposing objection. Can you 01:57:25 15 hear me now? 01:57:31</p> <p>16 THE REPORTER: I can. Thank you. 01:57:32</p> <p>17 MS. McKEEN: Thank you. 01:57:33</p> <p>18 BY MS. MILLER: 01:57:33</p> <p>19 Q. Is that the same understanding 01:57:44 20 that you used in determining whether or not to 01:57:46 21 designate a box blue or not? 01:57:49</p> <p>22 A. Did not apply the same -- same 01:57:50 23 exact criteria that I just referenced in my own 01:58:04 24 personal finances to the Flow of Funds 01:58:07 25 presentation. 01:58:09</p>	<p>369</p> <p>1 A. I don't see the phrase "account 01:59:39 2 holder" listed anywhere on this page. 01:59:43</p> <p>3 Q. Okay. And you do see that the 01:59:46 4 account statements are being directed to 01:59:48 5 Mr. Gabriel Rivera, the director of public 01:59:50 6 finance at the GDB, right? 01:59:52</p> <p>7 A. I do see that. 02:00:04</p> <p>8 Q. Okay. And did you do anything 02:00:05 9 other than noting that PRIFA's name was 02:00:06 10 mentioned somewhere on that account statement 02:00:12 11 to identify whether or not the account was 02:00:13 12 actually a PRIFA account? 02:00:16</p> <p>13 A. Can you repeat the question, 02:00:29 14 please? 02:00:31</p> <p>15 Q. Yeah. Did you do anything other 02:00:32 16 than noting that PRIFA's name was mentioned 02:00:33 17 somewhere on the account statement to identify 02:00:36 18 whether or not the account was actually a PRIFA 02:00:39 19 account? 02:00:41</p> <p>20 A. No, no. 02:00:54</p> <p>21 Q. Okay. I want to go back to 02:00:55 22 Exhibit 24, please. 02:00:58</p> <p>23 Am I understanding this chart 02:01:16 24 correctly that between the January 2014 and 02:01:18 25 June 2015 period, the only account that had the 02:01:23</p>

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<p style="text-align: center;">370</p> <p>1 full 117 million of rum excise taxes was the 02:01:28 2 GDB 006 account? 02:01:32</p> <p>3 A. I missed the last part of your 02:01:40 4 question, sorry. Could you repeat it? 02:01:42</p> <p>5 Q. Okay. Am I correct that according 02:01:44 6 to this chart, from the January '14 to 02:01:46 7 June 2015 period, the only bank account that 02:01:50 8 held the full \$117 million rum excise taxes was 02:01:54 9 the GDB 006 account? 02:01:58</p> <p>10 Sorry, let me -- let me restate 02:02:04 11 that because I misspoke in the question. Let 02:02:06 12 me ask it again. 02:02:08</p> <p>13 Am I correct that according to 02:02:09 14 this chart, from January '14 to June 2015, the 02:02:11 15 only bank account that held the first 02:02:17 16 \$117 million in full was the GDB 006 account? 02:02:20</p> <p>17 A. I can't say that there was any one 02:02:27 18 given time where the 117 million was 02:02:41 19 identifiable as a separate cash balance within 02:02:48 20 the operating account 0006. 02:02:51</p> <p>21 Q. Okay. That's a fair point. Let 02:02:55 22 me restate it. 02:03:01</p> <p>23 Is it true that in the 02:03:02 24 January 2014 to June 2015 period, the only 02:03:04 25 account that the full first \$117 million of rum 02:03:08</p>	<p style="text-align: center;">372</p> <p>1 Remesa for rum taxes during this time, which is 02:05:57 2 stamped August 2014. This is probably fiscal 02:06:03 3 year 2014. 02:06:09</p> <p>4 Q. Okay. 02:06:11</p> <p>5 A. Or fiscal year 2015. 02:06:13</p> <p>6 Q. And are these among the documents 02:06:15 7 or the type of documents that you reviewed in 02:06:17 8 preparing the Flow of Funds that we discussed 02:06:20 9 earlier? 02:06:22</p> <p>10 A. Yes, this type of document would 02:06:25 11 be included in that review. 02:06:27</p> <p>12 Q. Okay. And you see here there's a 02:06:32 13 designation Fondo, and it says 111. Do you see 02:06:37 14 that? 02:06:39</p> <p>15 A. Yes. 02:06:39</p> <p>16 Q. And do you know what Fund 111 is? 02:06:40</p> <p>17 A. Fund 111 is one of the fund 02:06:46 18 numbers used to identify General Fund. 02:06:49</p> <p>19 Q. Okay. And then to the left of 02:06:51 20 that it says Cuenta R4220. Do you see that? 02:06:53</p> <p>21 A. Yes. 02:06:58</p> <p>22 Q. And is that the revenue account 02:06:59 23 within the General Fund that's used for rum 02:07:01 24 excise taxes that we discussed earlier? 02:07:07</p> <p>25 A. That's the revenue account used 02:07:10</p>
<p style="text-align: center;">371</p> <p>1 excise taxes flowed through was the GDB 006 02:03:11 2 account? 02:03:16</p> <p>3 A. Yes. 02:03:24</p> <p>4 Q. Thank you for that clarification. 02:03:25</p> <p>5 Okay. So I'd like to now mark as 02:03:36</p> <p>6 Exhibit 26 tab 1301. 02:03:43</p> <p>7 MS. MILLER: Actually, Kevin, 02:04:08</p> <p>8 before we go there, can I just -- can we mark 02:04:09</p> <p>9 quickly tab 1203? 02:04:13</p> <p>10 (Monolines Exhibit 27 is 02:04:13</p> <p>11 introduced for the record.) 02:04:13</p> <p>12 BY MS. MILLER:</p> <p>13 Q. Okay. So we have marked as 02:04:54</p> <p>14 Monolines Exhibit 27 -- we'll come back to 02:04:56</p> <p>15 26 -- a document. Is this a document that you 02:04:58</p> <p>16 recognize? 02:05:04</p> <p>17 A. Yes. 02:05:28</p> <p>18 Q. Okay. And what is this document? 02:05:29</p> <p>19 A. I would like to clarify that I 02:05:30</p> <p>20 recognize this type of document. I can't 02:05:32</p> <p>21 recall specifically reviewing this exact 02:05:35</p> <p>22 document. 02:05:37</p> <p>23 Q. Fair enough. 02:05:38</p> <p>24 And what is this type of document? 02:05:38</p> <p>25 A. This document is a Comprobante de 02:05:52</p>	<p style="text-align: center;">373</p> <p>1 within the PRIFA system to record the revenues 02:07:13 2 of rum taxes. 02:07:17</p> <p>3 Q. Okay. Do you know whether that's 02:07:18 4 used to record all of the revenues of rum taxes 02:07:20 5 or just the first 117 million of rum taxes? 02:07:22</p> <p>6 Let me break it out. 02:07:28</p> <p>7 Is that revenue account number 02:07:30</p> <p>8 used to record all of the revenues of rum 02:07:31 9 taxes? 02:07:36</p> <p>10 A. I'm not positive. I would have to 02:07:49 11 double-check on that and get back to you. 02:07:54</p> <p>12 Q. Okay. How would you go about 02:07:56 13 double-checking? 02:07:59</p> <p>14 A. I would just have to look at the 02:08:13 15 voucher maybe similar to this one that -- whose 02:08:20 16 amount, which, you know, ended up meaning 02:08:28 17 specifically your total exceeded 117 million 02:08:31 18 and they were still using account code 4220, 02:08:34 19 that would indicate to me that they were using 02:08:37 20 Account 4220 for rum proceed revenues, the 02:08:40 21 first 117, as well as the excise. 02:08:44</p> <p>22 Q. And if you ran the report that we 02:08:50 23 discussed earlier from the PRIFA system on 02:08:52 24 Revenue Account 4220, you would be able to tell 02:08:56 25 that based on the report, correct? 02:08:58</p>

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1	A. Correct.	02:09:04	1	flow into a Fund other than the General Fund?	02:12:13
2	Q. You didn't run that report, right?	02:09:06	2	UNIDENTIFIED SPEAKER: Objection.	02:12:20
3	A. No, I have not run that report.	02:09:10	3	THE WITNESS: I disagree with the	02:12:20
4	Q. Okay. And how long do you think	02:09:12	4	characterization of funds flowing into any	02:12:23
5	it would take to run that report for a single	02:09:16	5	Fund.	02:12:25
6	fiscal year?	02:09:19	6	BY MS. MILLER:	02:12:25
7	A. I don't know specifically how long	02:09:24	7	Q. Okay. So you disagree with the	02:12:26
8	the system would take to process that, but I	02:09:25	8	funds being allocated. All right.	02:12:28
9	imagine it would be accomplishable within	02:09:28	9	So you don't know whether they're	02:12:36
10	one day.	02:09:31	10	allocated to a Fund other than the General	02:12:38
11	Q. And when you say "accomplishable	02:09:33	11	Fund?	02:12:44
12	within one day," you just mean processing time?	02:09:36	12	A. The first 117 million are recorded	02:12:44
13	to quality control review data that the system	02:09:40	13	with the General Fund fund number.	02:12:47
14	would potentially output.	02:09:45	14	Q. Do you know whether moneys beyond	02:12:52
15	Q. How long would it take to come up	02:09:48	15	the first 117 million are recorded with a Fund	02:12:54
16	with a query?	02:09:51	16	number that is not the General Fund?	02:12:58
17	A. Query -- query -- I mean, I guess	02:10:00	17	A. I don't know for certain since we	02:13:03
18	I could tell you what the query is now. You	02:10:07	18	didn't look at the funds outside the 117 for	02:13:04
19	would need time to determine what the	02:10:09	19	purposes of the Flow of Funds presentation.	02:13:08
20	parameters of the query would be.	02:10:11	20	That would certainly be something we could	02:13:10
21	Q. Do you know whether moneys other	02:10:24	21	follow up on and get back to you.	02:13:13
22	than the first 117 million of rum -- sorry,	02:10:27	22	Q. Okay. Do you think they might be?	02:13:15
23	strike that. Let me start over.	02:10:32	23	MS. McKEEN: Objection.	02:13:21
24	Do you know whether rum excise	02:10:34	24	THE WITNESS: I can't speculate	02:13:23
25			25	one way or the other.	02:13:24
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1	taxes beyond the first 117 million of rum	02:10:36	1	(Monolines Exhibit 28 is	02:13:24
2	excise taxes are deposited into the General	02:10:40	2	introduced for the record.)	02:13:24
3	Fund?	02:10:40	3	MS. MILLER: Okay. I want to go	02:13:47
4	UNIDENTIFIED SPEAKER: Objection.	02:10:40	4	to Exhibit 26 now, please, Kevin.	02:13:50
5	THE REPORTER: I'm sorry, did	02:10:40	5	BY MS. MILLER:	02:13:50
6	somebody -- I'm sorry?	02:10:40	6	Q. Mr. Ahlberg, did you review the	02:13:51
7	THE WITNESS: (Indiscernible)	02:10:53	7	lockbox agreement in connection with your	02:14:23
8	deposited into the General Fund.	02:10:53	8	preparation for your deposition today?	02:14:27
9	BY MS. MILLER:	02:10:54	9	A. I did not review the lockbox	02:14:28
10	Q. Okay. Do you know whether the	02:10:54	10	agreement in preparation for this deposition,	02:14:30
11	R4220 account is used in connection with other	02:10:57	11	but I am familiar with the lockbox agreement	02:14:33
12	Funds as well?	02:11:01	12	based on my ordinary business and work with the	02:14:35
13	Sorry, just -- just to be clear,	02:11:21	13	Commonwealth.	02:14:39
14	when I said Funds, I meant capital F Fund, the	02:11:23	14	Q. Okay. And in what context have	02:14:39
15	Fund of the Special Fund other than the	02:11:26	15	you encountered the lockbox agreement in the	02:14:45
16	general.	02:11:34	16	course of your ordinary work?	02:14:49
17	UNIDENTIFIED SPEAKER: Objection.	02:11:36	17	A. Beyond the first 117 million that	02:14:58
18	THE WITNESS: I know the first	02:11:38	18	we have been discussing together, there's a rum	02:15:00
19	117 million would use the General Fund	02:11:39	19	tax waterfall that proceeds after that, and I	02:15:03
20	identifier there. We -- we did not look at	02:11:42	20	have reviewed actual cash flows with -- actual	02:15:09
21	the, you know, the revenues outside the first	02:12:00	21	cash flows in the rum tax waterfall after the	02:15:19
22	117 for purposes of the Flow of Funds	02:12:03	22	first 117 million in my normal course of	02:15:22
23	accreditation.	02:12:07	23	business with the Commonwealth.	02:15:26
24	BY MS. MILLER:	02:12:07	24	Q. And in the course of that, have	02:15:41
25	Q. So you don't know whether they	02:12:11	25	you looked at the actual document?	02:15:43

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1	A. Somewhere along the lines in the	02:15:51	1	understand that the lockbox agreement sets	02:19:25
2	past two and a half years, I have seen the	02:15:54	2	forth a Flow of Funds for the rum tax revenue.	02:19:33
3	actual lockbox agreement.	02:15:57	3		
4	Q. Okay. Do you understand that	02:16:01	4	A. Not being an attorney, I'm not	02:19:50
5	under the lockbox agreement -- which,	02:16:16	5	positive that this lockbox agreement says that.	02:19:52
6	apologies, is being pulled off, I created	02:16:18	6	Q. Why did you look at it in	02:19:58
7	confusion, apparently. We already used	02:16:20	7	connection with the Flow of Funds of the rum	02:20:01
8	Exhibit 26. So this will be Exhibit 27 -- that	02:16:24	8	taxes in the ordinary course of your business?	02:20:03
9	there are multiple transfers that -- let me	02:16:34	9		
10	ask.	02:16:39	10	A. In my ordinary course of business,	02:20:06
11	Here's the lockbox agreement. Is	02:16:40	11	and understanding the historical Flow of Funds	02:20:14
12	this the agreement that we were just talking	02:16:42	12	for rum taxes, for us it meant understanding	02:20:21
13	about?	02:16:43	13	that transfers were -- after the lockbox	02:20:27
14	A. Yes.	02:16:58	14	agreements were coming directly from the	02:20:30
15	Q. Okay. So the record is clear,	02:16:59	15	Citibank account as opposed to being	02:20:32
16	because we have now said it wrong three times,	02:17:06	16	transferred directly from the U.S. Government.	02:20:34
17	Monolines Exhibit 28 is the lockbox agreement	02:17:09	17	Q. Okay. And is that	02:20:37
18	dated May 5, 2015. Who's the lockbox trustee?	02:17:12	18	something -- when you said in the ordinary	02:20:39
19	Sorry, what does the lockbox say?	02:17:33	19	course of your business, did you mean in	02:20:42
20	A. Citibank.	02:17:42	20	connection with preparing these Flow of Funds	02:20:45
21	Q. And do you understand that under	02:17:50	21	documents?	
22	this agreement Citibank has to make a number of	02:17:51	22	A. No.	02:20:47
23	transfers to various entities, right?	02:17:54	23	Q. Okay. So in connection with your	02:20:47
24	A. Not being an attorney, I'm not	02:18:04	24	ordinary course of business, you have to	02:20:53
25	certain what the lockbox agreement mandates or	02:18:06	25	understand that historical Flow of Funds	02:20:54
				differed from the Flow of Funds under the	02:20:59
				lockbox agreement? Did I understand that	02:21:01
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1	does not mandate.	02:18:08	1	right?	02:21:04
2	Q. Okay. Well, I thought you told me	02:18:09	2	MS. McKEEN: Objection.	02:21:08
3	that in the ordinary course of your business,	02:18:12	3	THE WITNESS: From a normal course	02:21:14
4	you have seen the lockbox agreement and	02:18:14	4	of business, I understood the lockbox agreement	02:21:16
5	considered it in connection with the Flow of	02:18:18	5	changed the Flow of Funds.	02:21:19
6	Funds that it mandates. No? Did I get that	02:18:20	6	BY MS. MILLER:	02:21:19
7	wrong?	02:18:24	7	Q. Okay. Do you understand how it	02:21:22
8	UNIDENTIFIED SPEAKER: Objection.	02:18:28	8	changed the Flow of Funds?	02:21:23
9	THE WITNESS: I'm generally	02:18:30	9	A. Yes. The funds are -- rum taxes	02:21:31
10	familiar with the lockbox agreement, and in the	02:18:31	10	are -- first went to Citibank prior to transfer	02:21:35
11	context in which I would have been familiar	02:18:36	11	to the TSA, as opposed to coming directly from	02:21:40
12	with it was in monitoring cash flow activity	02:18:37	12	the U.S. Government.	02:21:43
13	with respect to rum tax.	02:18:42	13	Q. Okay. And then, after the first	02:21:44
14	BY MS. MILLER:	02:18:44	14	117 -- well, look at page 4 of the lockbox	02:21:52
15	Q. Okay. And so you understand that	02:18:45	15	agreement.	02:21:55
16	the lockbox agreement outlines period cash	02:18:46	16	And is this specifically a page	02:21:57
17	flows or the flow of various revenues, right?	02:18:51	17	that you've seen before? And I'm going to	02:22:00
18	MS. McKEEN: Objection.	02:19:08	18	direct you to Section 5, which is the	02:22:02
19	THE WITNESS: I understand it's --	02:19:11	19	Disposition of Cover Over Payments in the	02:22:04
20	the Flow of Funds is different before and after	02:19:12	20	account. Do you see that?	02:22:04
21	the lockbox agreement is operational.	02:19:17	21	A. I see that fifth section there.	02:22:05
22	BY MS. MILLER:	02:19:20	22	Q. Okay. And did you look at this	02:22:16
23	Q. Okay. I have not asked anything	02:19:20	23	fifth section in the ordinary course of	02:22:18
24	about that.	02:19:22	24	business before preparing the PRIFA Flow of	02:22:26
25	I'm just asking you whether you	02:19:23	25	Funds for this deposition?	02:22:29

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1 A. I don't recall specifically	02:22:33	1 MS. McKEEN: Objection.	02:25:11
2 reviewing this exact section of the document.	02:22:34	2 BY MS. MILLER:	02:25:11
3 Q. Okay. Do you have an	02:22:40	3 Q. -- under the lockbox agreement?	02:25:13
4 understanding of how the moneys beyond the	02:22:40	4 MS. McKEEN: Objection.	02:25:21
5 first 117 million flow?	02:22:43	5 THE WITNESS: I believe that it	02:25:28
6 A. I have a general understanding.	02:22:52	6 says:	02:25:28
7 Q. Okay. What's your general	02:22:57	7 Second, to the Secretary of	02:25:29
8 understanding?	02:23:01	8 Treasury for deposit to the credit of the S&T	02:25:32
9 A. My general understanding is that	02:23:01	9 Trust, which I understand is the Science and	02:25:36
10 after the first 117 million, that there	02:23:06	10 Technology Trust.	02:25:36
11 are -- there's a waterfall for the remaining --	02:23:12	11 BY MS. MILLER:	02:25:39
12 remaining distribution of funds.	02:23:19	12 Q. Okay. And what about third?	02:25:39
13 Q. Okay. And do you know who gets	02:23:21	13 A. The document says:	02:25:44
14 the second payment in the waterfall?	02:23:22	14 Third, to the Secretary of	02:25:46
15 A. I can't recall off the top of my	02:23:26	15 Treasury, the remaining amount of Non-Rum COR	02:26:00
16 head who gets the second payment in the	02:23:29	16 included in such Cover Over Payment.	02:26:06
17 waterfall.	02:23:32	17 Q. Okay. And then what about 4?	02:26:11
18 Q. Well, good news. You don't have	02:23:32	18 A. The document says:	02:26:14
19 to recall off the top of your head. If you	02:23:34	19 Fourth, to the Secretary of	02:26:21
20 look at Section 5(b), it says "Second."	02:23:36	20 Treasury, the remaining amount of other rum	02:26:22
21 So you can just read it and then	02:23:36	21 Cover Over or COR included in such Cover Over	02:26:25
22 tell me if that refreshes your recollection of	02:23:39	22 Payment.	02:26:28
23 who gets the second flow in the waterfall.	02:23:46	23 Q. Okay. Do you know whether the	02:26:30
24 A. Counsel, could you point me to the	02:23:51	24 Commonwealth accounts for each of these buckets	02:26:32
25 section of the document you're referring to?	02:23:53	25 of rum tax revenues differently when it	02:26:36
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1 Q. Section 5(b), as in boy.	02:24:01	1 receives them from Citi?	02:26:39
2 Actually -- sorry. Yeah, that's right.	02:24:03	2 A. I'm not certain if there's	02:26:52
3 Section 5(b).	02:24:10	3 different accounting treatment for the rum	02:26:54
4 MS. McKEEN: Atara, when you get	02:24:11	4 revenues in excess of the first 117 million.	02:26:59
5 to a convenient stopping place, if we could	02:24:14	5 Q. Do you know if the 5 million to	02:27:03
6 have a short break, I would appreciate it.	02:24:16	6 the credit of the S&T Trust if -- sorry -- is	02:27:06
7 MS. MILLER: Sure. Actually,	02:24:22	7 credited to the General Fund?	02:27:11
8 almost done with this. I want to go a few	02:24:23	8 A. I'm not positive off the top of my	02:27:20
9 minutes longer, and hopefully I can wrap this	02:24:26	9 head if that is the case.	02:27:23
10 up.	02:24:29	10 Q. What would you do to find out	02:27:26
11 MS. McKEEN: That's great. Thank	02:24:29	11 whether the transfers in (a), (b), (c) and (d)	02:27:28
12 you. Just a quick one.	02:24:30	12 of Section 5 of Exhibit 28 are accounted for	02:27:34
13 MS. MILLER: Okay.	02:24:31	13 differently on the internal accounting records	02:27:38
14 BY MS. MILLER:	02:24:38	14 of the Commonwealth?	02:27:41
15 Q. Mr. Ahlberg, does Section 5(b)	02:24:38	15 A. Apologies, I'm just thinking here.	02:28:07
16 refresh your recollection as to who gets the	02:24:41	16 Would you mind repeating the question?	02:28:10
17 second distribution of rum taxes after the	02:24:43	17 Q. Yeah. My question is:	02:28:11
18 first 117 million?	02:24:46	18 What would you do to determine	02:28:13
19 A. That refreshes my recollection of	02:24:53	19 whether the transfers in Section 5(a), (b), (c)	02:28:14
20 what this lockbox agreement says. I can't say	02:24:55	20 and (d) of Exhibit 28 are accounted for	02:28:18
21 for certain that -- off the top of my head that	02:24:59	21 differently on the internal accounting records	02:28:22
22 this is how the cash flow on activity follows.	02:25:03	22 of the Commonwealth?	02:28:24
23 Q. Okay. Who's supposed to get the	02:25:06	23 A. I would -- first, I would discuss	02:28:43
24 next 5 million --	02:25:09	24 with -- with Treasury and review the transfers	02:28:45
25		25 into -- review the, you know, transfers letters	02:28:53

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1	or vouchers that show transfer into the TSA.	02:28:58	1	BY MS. MILLER:	02:32:28
2	Q. Do you know whether when Citi	02:29:03	2	Q. Okay. Just, for example, (a) and	02:32:28
3	makes transfers under this lockbox agreement it	02:29:07	3	(b), it would have been more simple to just	02:32:30
4	specifically identifies whether the	02:29:10	4	make a single transfer to the Secretary of the	02:32:36
5	transfer -- sorry -- which bucket the	02:29:16	5	Treasury for 122 million, wouldn't it?	02:32:39
6	transfer -- let me start over.	02:29:19	6	MS. McKEEN: Objection.	02:32:44
7	Do you know whether Citi, when it	02:29:21	7	THE WITNESS: I can't say what	02:32:50
8	makes transfers under the lockbox agreement,	02:29:23	8	would have been easier or not.	02:32:52
9	specifically identifies which bucket the moneys	02:29:26	9	BY MS. MILLER:	02:32:54
10	fall under?	02:29:29	10	Q. Is there any reason you can think	02:32:56
11	A. Would you repeat that question,	02:29:48	11	of why in a Flow of Funds the first 117 million	02:33:01
12	please?	02:29:49	12	being transferred to the Secretary -- to the	02:33:03
13	Q. Yeah. Do you know whether Citi,	02:29:51	13	Secretary of the Treasury for the credit of	02:33:05
14	when it makes transfers under the lockbox	02:29:53	14	PRIFA was broken out from the next \$5 million	02:33:09
15	agreement, specifically identifies which bucket	02:29:56	15	that were being transferred to the Secretary of	02:33:12
16	the moneys fall under?	02:29:58	16	the Treasury for deposit to the credit of the	02:33:18
17	A. I'm not positive. I would have to	02:30:21	17	S&T Trust?	02:33:18
18	double-check on that.	02:30:23	18	MS. McKEEN: Objection.	02:33:18
19	Q. Okay. Do you know what it means	02:30:26	19	THE WITNESS: Would you please	02:33:26
20	for a deposit to be to the credit of the S&T	02:30:38	20	repeat the question?	02:33:27
21	Trust?	02:30:48	21	BY MS. MILLER:	02:33:27
22	A. I'm not sure what is intended by	02:30:48	22	Q. Is there any reason you can think	02:33:31
23	that exact phrasing there.	02:30:52	23	of for why in the Flow of Funds the first	02:33:33
24	Q. Do you know whether there is a	02:30:54	24	117 million being transferred to the Secretary	02:33:37
25	Fund that corresponds to the S&T Trust?	02:30:55	25	of Treasury for the credit of PRIFA was broken	02:33:40
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1	A. I do not know whether there is a	02:31:05	1	out from the next 5 million that were being	02:33:45
2	separate Fund number within the PRIFA system	02:31:07	2	transferred to the Secretary of Treasury for	02:33:48
3	that identifies S&T Trust money.	02:31:11	3	deposit to the credit of the S&T Trust?	02:33:53
4	Q. Would you expect the Commonwealth	02:31:18	4	MS. McKEEN: Objection.	02:33:57
5	to account differently for moneys deposited to	02:31:21	5	THE WITNESS: I can't speculate as	02:33:59
6	the credit of the S&T Trust from moneys	02:31:26	6	to why.	02:34:04
7	deposited to the credit of PRIFA?	02:31:30	7	BY MS. MILLER:	02:34:11
8	UNIDENTIFIED SPEAKER: Objection.	02:31:40	8	Q. Okay. All right. Let's -- I'm	02:34:11
9	THE WITNESS: I mean, nothing --	02:31:41	9	going to do one more quick exhibit, Liz, and	02:34:18
10	I'm not sure how S&T would account for those	02:31:45	10	then I'll take a break. It shouldn't take more	02:34:22
11	differently from one another.	02:31:49	11	than a minute.	02:34:24
12	BY MS. MILLER:	02:31:50	12	MS. MILLER: Can we mark tab 1302	02:34:26
13	Q. Okay. Do you know why the	02:31:51	13	as Exhibit 29?	02:34:28
14	Commonwealth asks Citi to separately break out	02:31:52	14	(Monolines Exhibit 29 is	02:34:28
15	amounts that were going to the Treasury for	02:31:59	15	introduced for the record.)	02:35:03
16	deposit of the credit into different entities?	02:32:02	16	BY MS. MILLER:	02:35:03
17	MS. McKEEN: Objection.	02:32:08	17	Q. Okay. Mr. Ahlberg, is this a	02:35:04
18	THE WITNESS: I do not know why	02:32:09	18	document that you've seen before or a form of	02:35:05
19	Citibank does that.	02:32:11	19	document that you've seen before?	02:35:07
20	BY MS. MILLER:	02:32:13	20	A. Yes.	02:35:22
21	Q. My question was why does the	02:32:13	21	Q. Okay. And what is it?	02:35:23
22	Commonwealth ask them to do it.	02:32:15	22	A. It is a lockbox receipt notice.	02:35:29
23	MS. McKEEN: Objection.	02:32:19	23	Q. And can we just look at the second	02:35:35
24	THE WITNESS: I don't know why the	02:32:22	24	page of this document?	02:35:37
25	Commonwealth would have asked them to do that.	02:32:24	25	Okay. Mr. Ahlberg, does this	02:35:41

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<p>1 refresh your recollection about whether Citi in 2 fact breaks out into each category the amount 3 of the disbursement? 02:35:42 4 A. Yes. 02:36:01 5 Q. Okay. And so Citi would transfer 02:36:02 6 in the first 117 million of rum excise taxes, 02:36:06 7 specifically identifies the recipient as the 02:36:09 8 Secretary of Treasury for deposit to the credit 02:36:14 9 of PRIFA, correct? 02:36:18 10 UNIDENTIFIED SPEAKER: Note my 02:36:24 11 objection. 02:36:25 12 MS. MILLER: What's your 02:36:34 13 objection? 02:36:35 14 UNIDENTIFIED SPEAKER: You've used 02:36:37 15 the word "identifies" in the present tense, and 02:36:38 16 I think it's unclear as to whether you're 02:36:41 17 asking about this specific example or a course 02:36:44 18 of conduct across all Citi transfers. That's 02:36:48 19 my objection. 02:36:52 20 MS. MILLER: Okay. I appreciate 02:36:53 21 that clarification. 02:36:54 22 BY MS. MILLER: 23 Q. Mr. Ahlberg, does this refresh 02:36:56 24 your recollection that on August 25, 2017, Citi 02:36:58 25 identifies the recipient of the first 02:37:03</p>	<p>1 time for a break. 02:38:27 2 Liz, how long do you want to take? 02:38:30 3 MS. McKEEN: 10. 02:38:33 4 MS. MILLER: Okay. Great. 02:38:34 5 MS. McKEEN: Thank you. 02:38:34 6 MS. MILLER: Thank you. 02:38:36 7 THE VIDEOGRAPHER: We are off the 02:38:37 8 record at 2:39 p.m. 02:38:38 9 (Recess taken.) 02:38:40 10 THE VIDEOGRAPHER: We are back on 02:53:23 11 the record at 2:54 p.m. 02:54:06 12 BY MS. MILLER: 13 Q. Okay. I want to go back to 02:54:09 14 Exhibit 24, and I want to look at the next 02:54:12 15 page, which is the Flow of Funds from July 2015 02:54:34 16 to March 2016. Do you see that? 02:54:38 17 A. No. 02:54:47 18 Q. Me neither. There we go. 02:54:56 19 Now do you see it? 02:54:58 20 A. Yes. 02:54:59 21 Q. Okay. And just looking at this 02:55:01 22 chart, based on what you've already said, you 02:55:05 23 were able to identify -- well, let me ask the 02:55:11 24 first question. 02:55:15 25 The first \$117 million of rum 02:55:15</p>
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<p>1 117 million as Secretary of Treasury for 02:37:04 2 deposit to the credit of PRIFA? 02:37:08 3 A. Yes, it does refresh my 02:37:16 4 recollection that Citibank produces a document 02:37:17 5 with this information. 02:37:21 6 Q. And does it still produce that 02:37:22 7 document today? 02:37:24 8 A. I believe so. 02:37:31 9 Q. And it specifically identifies the 02:37:32 10 recipient for the first 117 million as 02:37:36 11 Secretary of Treasury for deposit to the credit 02:37:41 12 of PRIFA, correct? 02:37:44 13 A. On this document, that is correct. 02:37:47 14 Q. Do you believe that's changed in 02:37:50 15 any subsequent documents? 02:37:52 16 MS. McKEEN: Objection. 02:37:57 17 THE WITNESS: Do not think so. 02:37:59 18 BY MS. MILLER: 19 Q. And that's distinct from the 02:38:06 20 Secretary of Treasury for deposit to the credit 02:38:07 21 of the S&T Trust, correct? 02:38:10 22 A. Different in that it is shown 02:38:16 23 separately on the Citibank-produced document, 02:38:18 24 yes. 02:38:22 25 MS. MILLER: Okay. This is a good 02:38:25</p>	<p>1 excise taxes flowed, according to this chart, 02:55:20 2 from this U.S. Treasury to the Citibank 02:55:24 3 account. And is that the lockbox account? 02:55:29 4 A. Yes. 02:55:32 5 Q. Okay. And is it your 02:55:33 6 understanding that that is an account of the 02:55:36 7 Secretary of the Treasury? 02:55:40 8 A. The Citibank account? 02:55:46 9 Q. The Citibank account, yeah. 02:55:47 10 A. I'm not -- I'm not certain there. 02:55:57 11 Q. Okay. Well, it's denoted in dark 02:55:59 12 gray. What does dark gray mean? 02:56:04 13 A. In this case, it indicates that 02:56:08 14 it's not a Commonwealth account. 02:56:10 15 Q. So your testimony, as the 02:56:23 16 corporate representative of the Commonwealth, 02:56:29 17 is that the Citibank 9028 account is not a 02:56:30 18 Commonwealth account? 02:56:35 19 A. I'm not certain whether that's 02:56:49 20 called a Commonwealth account or not a 02:56:52 21 Commonwealth account. The dark gray is meant 02:56:55 22 to distinguish it from the TSA operational 02:56:58 23 accounts as well as the other Commonwealth 02:57:01 24 account 6048. 02:57:04 25 Q. Okay. Why were you distinguishing 02:57:11</p>

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<p style="text-align: center;">394</p> <p>1 this account? 02:57:15 2 A. I mean, it's a separate bank 02:57:27 3 account. The dark gray is done to -- to help 02:57:29 4 the reader know that that account is separate 02:57:32 5 from the TSA 0006 or Account 6048. 02:57:36 6 Q. What is Account 6048? 02:57:44 7 A. It's a separate account at 02:57:48 8 Treasury. 02:57:52 9 Q. And what's it used for? 02:57:54 10 A. It's -- I believe it's an account 02:58:00 11 that's actually no longer used. 02:58:07 12 Q. During the period July 2015 to 02:58:10 13 March 2016, what was that account used for? 02:58:13 14 A. In this case, it received a 02:58:17 15 transfer of -- from 0006 and -- more than one 02:58:19 16 transfer, potentially many transfers. 02:58:29 17 Q. Okay. And the 6048 account is 02:58:31 18 designated as a comingled account. Do you see 02:58:34 19 that? 02:58:38 20 A. Yes. 02:58:38 21 Q. What other moneys are deposited 02:58:38 22 into the 6048 account or what other 02:58:40 23 deposit -- what other moneys were deposited 02:58:45 24 into the 6048 account during the period 02:58:47 25 July 2015 to March 2016? 02:58:51</p>	<p style="text-align: center;">396</p> <p>1 colloquial name of that account. 03:00:17 2 Q. Does that ring a bell, that the 03:00:18 3 6048 account was used during this period to 03:00:20 4 hold clawback moneys from HTA, CCDA, and PRIFA? 03:00:25 5 A. It certainly received transfers of 03:00:32 6 funds that either previously or ultimately were 03:00:34 7 used for those purposes. 03:00:38 8 Q. What purposes do you mean when you 03:00:40 9 say "those purposes"? 03:00:43 10 A. In this -- in this specific case, 03:00:46 11 being an accountant, the Flow of Funds during 03:00:54 12 the time in which -- that service payments were 03:00:54 13 being made. 03:01:03 14 THE REPORTER: I'm sorry. During 03:01:03 15 the time in which? 03:01:05 16 BY MS. MILLER: 03:01:05 17 Q. I didn't get any of that, so... 03:01:08 18 A. I heard a couple people there. 03:01:15 19 Q. I think the court reporter asked 03:01:18 20 you to finish your answer. She didn't catch 03:01:19 21 the end of it. 03:01:21 22 A. Okay, sorry. Would you mind 03:01:25 23 repeating the question? 03:01:27 24 Q. I've lost track of it. 03:01:33 25 MS. MILLER: Madam Court Reporter, 03:01:34</p>
<p style="text-align: center;">395</p> <p>1 A. I can't recall off the top of my 02:58:55 2 head what other moneys were included in that 02:58:57 3 transfer or those transfers. 02:58:59 4 Q. Do you know whether HTA taxes were 02:59:01 5 loaded to the 6048 account? 02:59:07 6 A. I can't recall off the top of my 02:59:09 7 head without looking at the HTA Flow of Funds 02:59:11 8 presentation document. 02:59:15 9 Q. Okay. Do you know whether CCDA 02:59:16 10 moneys were flowed into the 6048 account during 02:59:20 11 this period? 02:59:24 12 A. I can't recall which moneys 02:59:30 13 besides rum taxes off the top of my head were 02:59:32 14 transferred to this account. 02:59:37 15 Q. Do you have an understanding of 02:59:39 16 why the money was flowed from the 006 account 02:59:40 17 into the 6048 account and then back into the 02:59:43 18 006 account? 02:59:47 19 A. It's a function of internal cash 02:59:53 20 management at the time of the Department of 02:59:55 21 Treasury. 03:00:02 22 Q. Okay. Do you know whether 03:00:02 23 60 -- the 6048 account was designated a 03:00:04 24 clawback revenue account? 03:00:10 25 A. I'm not part of the -- the name or 03:00:11</p>	<p style="text-align: center;">397</p> <p>1 would you mind reading back the last question? 03:01:35 2 (Record read as requested.) 3 "What do you mean when you say 4 'those purposes'?" 5 MS. MILLER: We need to go back 6 one more question. 7 (Record read as requested.) 8 Question: "Does that ring a 9 bell, that the 6048 account 10 was used during this period to 11 hold clawback moneys from HTA, 12 CCDA, and PRIFA?" 13 Answer: It certainly received 14 transfers of funds that either 15 previously or ultimately were 16 used for those purposes. 17 Question: What purposes do 18 you mean when you say "those 19 purposes"?" 20 THE WITNESS: Those purposes, 21 meaning to receive bank flows of revenues, you 22 know, that could be rum tax revenues or the 23 other revenues that you referenced. 24 BY MS. MILLER: 25 Q. Did the 6048 account receive any</p>

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1	moneys other than clawback money during this period?	03:03:13 03:03:19	1	understanding of what "clawback revenues" means.	03:06:01 03:06:04
2	A. I'm not certain what you're referring to as clawback money.	03:03:25 03:03:26	2	A. My understanding of "clawback revenues" is revenues that either were or are retained by the Commonwealth.	03:06:06 03:06:09
3	Q. Okay. Have you ever heard the term "clawback money"?	03:03:29 03:03:31	3	Q. Can you give me an example of a -- okay. So let me give you an example.	03:06:13 03:06:21
4	A. I have heard the term "clawback money."	03:03:32 03:03:35	4	We looked previously at the financial statements and the cash flows, and one category of moneys was federal funds for Medicaid. Do you recall that?	03:06:23 03:06:26
5	Q. And what do you understand it to mean?	03:03:35 03:03:36	5	A. I do recall.	03:06:28 03:06:41
6	A. Meaning funds that either were or are retained at the Commonwealth -- by the Commonwealth.	03:03:43 03:03:46 03:03:55	6	Q. Okay. And the Commonwealth received those moneys, correct, in its TSA account?	03:06:42 03:06:43
7	Q. And when you say money, do you specifically mean moneys that are allocated to either PRIFA, HTA or CCDA that are currently being retained by the Commonwealth, correct?	03:03:55 03:03:57 03:04:00 03:04:05	7	A. Correct.	03:06:44 03:06:47
8	MS. McKEEN: Objection.	03:04:08	8	Q. During the time that the Commonwealth holds those revenues, are they considered clawback moneys under your definition?	03:06:53 03:06:56
9	THE WITNESS: Well, I disagree with the characterization that they're allocated to those entities.	03:04:09 03:04:11 03:04:13	9	A. I would not consider those clawback moneys.	03:06:59 03:07:02
10	BY MS. MILLER:	03:04:14	10	Q. Okay. So can you suggest or provide me with -- can you provide me with a definition of clawback moneys that would	03:07:03 03:07:05
11	Q. Well, you don't mean all moneys that are held by the Commonwealth, do you? So define what you mean, please.	03:04:14 03:04:16 03:04:18	11		03:07:07 03:07:10
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1	A. Moneys that either previously or continue to flow for debt service.	03:04:26 03:04:31	1	appropriately distinguish what you mean by clawback moneys from, for example, the federal funds?	03:07:16 03:07:19
2	Q. Well, not all debt service money went to the 6048 account, did it? So I don't think that's what you mean by defining clawback money. Can you tell me what you actually mean when you use the term "clawback money"?	03:04:38 03:04:40 03:04:44 03:04:46 03:04:50	2	MS. McKEEN: Objection.	03:07:24
3	MS. McKEEN: Objection.	03:04:53	3	THE WITNESS: Could you repeat the question?	03:07:44
4	BY MS. MILLER:	03:04:53	4	BY MS. MILLER:	03:07:45
5	Q. Mr. Ahlberg, what do you understand the term "clawback money" to mean?	03:04:55 03:04:56	5	Q. Can you give me a definition of clawback moneys that would appropriately distinguish what you mean by clawback moneys for, for example, those federal funds?	03:07:56 03:08:00
6	A. I understand the term to refer to revenues that either were or are retained by the Commonwealth.	03:05:05	6	A. Okay. So the way I understand the -- generally understand the definition of "clawback revenues" as you've used it is that this refers to moneys that either were or are retained by the Commonwealth. Specifically as it relates to this deposition, I'm referring to rum taxes or HTA allocable revenues, et cetera.	03:08:04 03:08:12
7	Q. Any money or a specific set of money?	03:05:06 03:05:11	7	Q. And when you say "et cetera," do you mean CCDA or (indiscernible)?	03:08:15 03:08:22
8	A. When I think about -- yeah, there's specific -- yes, specific moneys.	03:05:18 03:05:19	8	A. Those would be generally included in the general term of clawback revenues as I understand it.	03:08:28 03:08:31
9	Q. And what specific money?	03:05:27 03:05:36	9	Q. Okay. And was the 6048 account an account that was specifically used during the	03:08:39 03:08:45
10	A. I mean, again, I can't recall off the top of my head all other, other than the context of rum in the context of looking at this document in the account 6048.	03:05:46 03:05:49 03:05:50 03:05:55	10		03:08:48 03:08:50
11	Q. I'm not even asking about Account 6048 right now. I'm just asking about your	03:05:57 03:05:58	11		03:08:54 03:08:59

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<p>1 July '15 to March 2016 period to hold clawback 03:09:01 2 moneys from those particular entities? 03:09:06 3 A. I believe so, yes. 03:09:15 4 Q. Do you know whether there are any 03:09:16 5 other moneys that were deposited into the 6048? 03:09:17 6 A. I don't believe that there were, 03:09:29 7 but I can't recall off the top of my head. 03:09:31 8 Q. Okay. Do you know approximately 03:09:33 9 how much money was deposited into Account 6048 03:09:34 10 during this period? 03:09:40 11 A. Off the top of my head, I do not, 03:09:45 12 but that's certainly something that we could 03:09:49 13 review and get back to you on. 03:09:51 14 Q. And how would you determine that? 03:09:53 15 A. I would review the internal daily 03:09:55 16 cash flow that I mentioned earlier that 03:10:00 17 Treasury maintains, and in there I would look 03:10:05 18 at transfers from the TSA operational account 03:10:08 19 through this account. 03:10:14 20 Q. Okay. And how were you able to 03:10:16 21 identify the money from the 006 account into 03:10:20 22 the 6048 account -- sorry. 03:10:29 23 How were you able to identify HTA 03:10:32 24 revenues, for example, flowing from the 006 03:10:35 25 account to the 6048 account? 03:10:39</p>	<p>1 rum funds. 03:12:15 2 Q. Okay. But you know that there was 03:12:15 3 something specific in the internal accounting 03:12:17 4 documents of the Commonwealth that identified 03:12:19 5 the revenues as from among the first 03:12:20 6 117 million of rum excise taxes, correct? 03:12:27 7 A. That's correct. 03:12:35 8 Q. And is the same true with respect 03:12:36 9 to the transfer from the 006 account to the GO 03:12:38 10 Debt Service? 03:12:48 11 A. That's correct. 03:12:48 12 Q. Do you know whether all of the 03:12:48 13 money in the 6048 account was transferred into 03:12:50 14 the 006 account during this period? 03:12:54 15 A. I believe the entirety of the 03:13:03 16 balances was actually transferred over. I 03:13:05 17 can't recall if it occurs within the parameters 03:13:08 18 of the time period suggested on the slide or 03:13:10 19 not. 03:13:13 20 Q. So is the time parameter indicated 03:13:17 21 on the slide talking about the starting point 03:13:20 22 of the flow, meaning if the flow of dollars 03:13:24 23 started between July '15 to March 2016, this is 03:13:30 24 how it flowed, that some of these flows may 03:13:35 25 have occurred outside of that period? 03:13:40</p>
<p>1 A. If the question is in the context 03:10:49 2 of HTA, would you mind putting the HTA 03:10:51 3 presentation for this time period up on the 03:10:54 4 screen? 03:10:56 5 Q. I'm not going to do that. I'm 03:11:03 6 just going to ask you about the HTA later. 03:11:05 7 I thought you just told me that 03:11:12 8 6048 was used during this time for HTA, PRIFA 03:11:13 9 and CCDA. Didn't you just tell me that? 03:11:17 10 A. I believe so, but to answer a 03:11:22 11 specific question about HTA, I thought it would 03:11:25 12 be helpful to have that slide in front of me. 03:11:27 13 Q. Okay. Well, how do you know that 03:11:29 14 the moneys were rum taxes when they flowed from 03:11:36 15 the 006 account to the 6048 account? 03:11:40 16 A. By reviewing the transfer details 03:11:43 17 that corresponded with that transfer. 03:11:47 18 Q. And what specifically in the 03:11:49 19 transfer details allowed you to identify the 03:11:51 20 moneys as being for the rum taxes or the 03:11:54 21 117 million for the rum taxes? 03:12:00 22 A. Without looking at the exact 03:12:04 23 transfer details, I can't -- I can't recall the 03:12:06 24 exact data point on those transfer details that 03:12:07 25 would have indicated who was the transferor of 03:12:11</p>	<p>1 UNIDENTIFIED SPEAKER: Objection. 03:13:42 2 THE WITNESS: None of the flows 03:13:43 3 presented on this page would have occurred 03:13:45 4 outside the period. 03:13:49 5 BY MS. MILLER: 03:13:55 6 Q. I thought you just told me that 03:13:55 7 some of the money from 6048 may have 03:13:57 8 transferred to 006 outside of this time period. 03:13:59 9 A. You asked if the entire balance of 03:14:05 10 6048 was transferred to 0006. Given the nature 03:14:07 11 that it's comingled, I just -- I can't say for 03:14:11 12 certain, looking at this particular diagram, 03:14:16 13 that every single dollar in Account 6048 was 03:14:18 14 transferred to Account 0006 in this time period 03:14:24 15 without reviewing -- 03:14:27 16 Q. Okay. 03:14:27 17 A. -- internal cash flows, as I 03:14:28 18 mentioned. 03:14:30 19 Q. Okay. And the moneys flowed from 03:14:30 20 the 006 account to GO Debt Service. Do you see 03:14:36 21 that? 03:14:42 22 A. I see that. 03:14:42 23 Q. Was that an actual GO Debt Service 03:14:44 24 payment out to bondholder? 03:14:46 25 A. I'm sorry, what was the question? 03:15:01</p>

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<p>1 Q. Does that reflect an actual 03:15:06 2 payment of GO Debt Service to bondholder? 03:15:08</p> <p>3 A. Those transfers were made toward 03:15:26 4 the GO Debt Service. I'm uncertain to -- to 03:15:29 5 the exact accounts, all of the accounts there. 03:15:34</p> <p>6 Q. Was it made to third parties? 03:15:40</p> <p>7 A. I'm not positive. 03:15:49</p> <p>8 Q. So you don't know if it was 03:15:54 9 transferred into a Commonwealth GO Debt Service 03:15:57</p> <p>10 account but never transferred subsequently to 03:16:02 11 third parties? 03:16:04</p> <p>12 A. I can't recall off the top of my 03:16:09 13 head, but I think we provided documents of that 03:16:10 14 transfer. 03:16:14</p> <p>15 Q. And what kind of documents do you 03:16:18 16 believe you provided reflecting that transfer 03:16:20 17 or those transfers? 03:16:24</p> <p>18 A. I believe we provided transfer -- 03:16:26 19 transfer details showing the transfer out of 03:16:30 20 GDB Account 0006 for GO Debt Service. 03:16:32</p> <p>21 Q. And you can't recall whether it 03:16:35 22 was to another internal Commonwealth account or 03:16:37 23 to a third party? 03:16:40</p> <p>24 A. I can't recall. 03:16:47</p> <p>25 Q. Okay. Do you know approximately 03:16:48</p>	<p>1 March '16 period, were made from the 006 03:18:17 2 account, the GO Debt Service account? 03:18:20</p> <p>3 A. Without seeing a single account 03:18:26 4 during this time period, I believe that the 03:18:31 5 other TSA account would have had balances 03:18:33 6 during this time period. 03:18:35</p> <p>7 Q. Okay. I'm going to ask you the 03:18:36 8 same question I asked you previously with 03:18:46 9 respect to the prior Flow of Funds. 03:18:47</p> <p>10 Just looking at this document for 03:18:49 11 the period July '15 to March 2016, it's 03:18:54</p> <p>12 correct, is it not, that the only account 03:18:59 13 through which the full 117 million of the first 03:19:01 14 rum excise tax revenue flow are the Citibank 03:19:07 15 9028 account and the GDB 006 account, correct? 03:19:11</p> <p>16 MS. McKEEN: Object to form. 03:19:16</p> <p>17 THE WITNESS: The first 03:19:24 18 117 million would be received into the Citibank 03:19:26 19 lockbox as well as transferred into GDB Account 03:19:30 20 0006. 03:19:35</p> <p>21 BY MS. MILLER: 03:19:35</p> <p>22 Q. Okay. And then no other account 03:19:38 23 reflected on this chart -- sorry. 03:19:40</p> <p>24 The full first 117 million of rum 03:19:46 25 excise taxes do not flow through any other 03:19:49</p>
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<p>1 how much money was transferred from the 006 03:16:50 2 account to GO Debt Service during this time 03:16:54 3 period? 03:16:57</p> <p>4 A. I can't recall exactly how much 03:17:01 5 that transfer was or those transfers were given 03:17:02 6 the transfer that's comingled with other 03:17:07 7 retained revenues. 03:17:10</p> <p>8 Q. Okay. Do you know whether there 03:17:14 9 were any other moneys remaining in the 006 03:17:18 10 account when that transfer was made? 03:17:21</p> <p>11 A. Being the operational account of 03:17:33 12 the Commonwealth and TSA, there would 03:17:39 13 definitely be a balance in that account even 03:17:41 14 after it transferred. 03:17:45</p> <p>15 Q. Okay. And the 006 account, does 03:17:48 16 that refer to a single bank account within the 03:17:50 17 TSA? 03:17:53</p> <p>18 A. Yes. 03:17:58</p> <p>19 Q. Okay. And are there other bank 03:17:59 20 accounts within the TSA? 03:18:01</p> <p>21 A. Yes. 03:18:02</p> <p>22 Q. Do you know whether the other bank 03:18:04 23 accounts in the TSA had any money at the time 03:18:05 24 that the transfers of these retained revenues 03:18:09 25 were made, as reflected in this July '15 to 03:18:12</p>	<p>1 account reflected on this Flow of Funds, 03:19:51 2 correct? 03:20:00</p> <p>3 A. There's no other transfer of 03:20:00 4 117 million or -- on this -- on this Flow of 03:20:04 5 Funds. 03:20:12</p> <p>6 Q. Okay. So that's a yes, right? 03:20:12</p> <p>7 MS. McKEEN: Objection. 03:20:15</p> <p>8 THE WITNESS: The first 03:20:18 9 117 million flows to the Citibank account, and 03:20:22 10 then that 117 million will flow to the GDB 03:20:26 11 account 0006. 03:20:29</p> <p>12 It is true then that a total of 03:20:34</p> <p>13 117 million would not flow from GDB Account 03:20:37 14 0006 to 6048 with respect to rum taxes. 03:20:39</p> <p>15 BY MS. MILLER: 03:20:39</p> <p>16 Q. Okay. I just want to look quickly 03:20:45 17 at the last page in the Flow of Funds, and this 03:20:52 18 reflects the Flow of Funds from April of 2016 03:20:57 19 to the present. Do you see that? 03:21:03</p> <p>20 A. Yes. 03:21:07</p> <p>21 Q. Okay. And here there's a change 03:21:07 22 in the Flow of Funds where the moneys go from 03:21:15 23 the U.S. Treasury to the Citibank account, 03:21:21 24 correct? And then they go into the Banco 03:21:26 25 Popular 9458 account. Do you see that? 03:21:31</p>

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1	A. Yes, I see that.	03:21:37	1	being deposited in the 006 account, which is	03:25:15
2	Q. Okay. During the April 2016 to	03:21:38	2	the equivalent account to the current BPPR 9458	03:25:18
3	the present time period, that has replaced the	03:21:40	3	account, right? And we were able to identify	03:25:22
4	GDB 006 account as the main operational account	03:21:42	4	outflows as a revenue source of rum excise	03:25:28
5	of the Commonwealth, correct?	03:21:46	5	taxes. Do you recall doing that exercise on	03:25:30
6	A. Correct.	03:21:52	6	the prior two terms?	03:25:33
7	Q. Okay. And then we see -- a	03:21:52	7	A. Yes.	03:25:35
8	million dollars transferring to the PRIFA	03:21:55	8	Q. Okay. So my question is:	03:25:36
9	BPPR 2882 account. Do you see that?	03:21:59	9	Why could you not do that exercise	03:25:39
10	A. Yes.	03:22:05	10	for the April '16 to present period?	03:25:42
11	Q. And has that account replaced the	03:22:05	11	A. Maybe I'm not understanding the	03:25:52
12	GDB 0704 account as the primary PRIFA operating	03:22:08	12	exercise that you're referring to. Could you	03:25:58
13	account?	03:22:14	13	please repeat that?	03:26:00
14	A. Would you mind giving me control	03:22:16	14	Q. I'm going to ask a different	03:26:01
15	of the document, please?	03:22:18	15	question.	03:26:02
16	Q. Sure.	03:22:20	16	Is it your understanding that the	03:26:03
17	A. Thank you.	03:22:39	17	rum excise taxes collected between April 2016	03:26:04
18	That's correct.	03:22:49	18	and the present still remain in the TSA?	03:26:08
19	Q. Okay. And the Flow of Funds	03:22:51	19	MS. McKEEN: Objection.	03:26:17
20	stopped here with the Banco Popular 9045	03:22:54	20	THE WITNESS: It's true that	03:26:19
21	account and the Banco Popular 2882 account; is	03:23:02	21	revenue earned from rum taxes from April 2016	03:26:20
22	that right?	03:23:02	22	to present were transferred into the TSA	03:26:24
23	A. Correct.	03:23:12	23	account.	03:26:28
24	Q. Are there any outflows of rum	03:23:12	24	BY MS. MILLER:	03:26:29
25	excise taxes out of the BPPR 9458 account?	03:23:14	25	Q. Have you seen any evidence of an	03:26:29
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1	A. Besides the \$1 million discrete	03:23:31	1	outflow from the TSA of rum tax revenue?	03:26:31
2	transfer, as documented on this presentation,	03:23:34	2	A. Besides the \$1 million discrete	03:26:42
3	there would have been no transfers out of the	03:23:45	3	transfer noted on the slide, I've seen no	03:26:46
4	TSA operational account for which revenue	03:23:49	4	transfers out of the TSA. The fund source,	03:26:51
5	source was rum tax revenues.	03:23:54	5	revenue source was rum taxes.	03:26:54
6	Q. Is that because the rum tax	03:24:00	6	Q. Okay. And in the prior period	03:26:55
7	revenues don't fit in the operational account?	03:24:02	7	that we looked at, so the entire period from	03:26:57
8	A. It's not possible to know that.	03:24:21	8	January 2014 to March 2016, you were able to	03:27:01
9	Q. And why not?	03:24:24	9	identify outflows of rum tax revenues from the	03:27:07
10	A. Because the TSA is a collection of	03:24:25	10	General Fund, correct?	03:27:11
11	bank accounts that transfer between one	03:24:35	11	Sorry. Let me restate that.	03:27:13
12	another.	03:24:37	12	For the period January 2014	03:27:17
13	Q. Okay. So you think the rum excise	03:24:41	13	through March 2016, when rum taxes flowed out	03:27:19
14	taxes are sitting somewhere in the TSA but not	03:24:44	14	of the Commonwealth's main operational account,	03:27:25
15	necessarily in the 9458 account. Is that what	03:24:46	15	you were able to identify that, correct?	03:27:27
16	you're saying?	03:24:48	16	A. No. We were able to identify	03:27:32
17	UNIDENTIFIED SPEAKER: Objection.	03:24:52	17	transfers from the operational account whose	03:27:34
18	THE WITNESS: Once the cash is	03:24:55	18	fund source was rum tax revenue.	03:27:39
19	in -- once the proceeds from rum revenue is	03:24:57	19	Q. Okay. So for the period	03:27:46
20	deposited to the TSA, those dollars -- that	03:25:02	20	January 2014 through March 2016, you were able	03:27:49
21	cash is indistinguishable from other dollars	03:25:05	21	to identify transfers from the operational	03:27:52
22	and cash within the TSA account.	03:25:07	22	account whose fund source was rum tax revenue;	03:27:54
23	BY MS. MILLER:	03:25:07	23	is that correct?	03:27:54
24	Q. Okay. I know that. But on the	03:25:10	24	A. That is correct.	03:28:04
25	previous chart, we saw the rum tax revenues	03:25:11	25	Q. Okay. And you were not able to	03:28:04

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<p>1 identify any outflow with the fund source of 03:28:09 2 rum tax revenues during the period April 2016 03:28:12 3 to the present; is that correct? 03:28:16</p> <p>4 A. It's not that we were unable to. 03:28:29 5 It's that we did not identify anything as such. 03:28:33</p> <p>6 Q. Okay. So to the best of your 03:28:37 7 knowledge, there were no outflows from the TSA 03:28:45 8 with a revenue source of rum excise taxes, 03:28:51 9 correct? 03:28:51</p> <p>10 UNIDENTIFIED SPEAKER: Objection. 03:28:58 11 BY MS. MILLER: 12 Q. Sorry. During this period, from 03:28:58 13 April -- let me just restate it so we have a 03:29:00 14 clean question. 03:29:02</p> <p>15 To the best of your knowledge, 03:29:03 16 there were no outflows from April 2016 to the 03:29:05 17 present from the TSA with a revenue source of 03:29:09 18 the rum excise taxes, correct? 03:29:14</p> <p>19 A. With the exception of the 03:29:22 20 \$1 million listed on this presentation 03:29:23 21 document, that is correct. 03:29:26</p> <p>22 Q. Thank you. 03:29:31 23 I'm going to switch to talking 03:29:31 24 about CCDA. 03:29:46</p> <p>25 Now, I mentioned it earlier, 03:29:48</p>	<p>1 Q. Okay. And what work did 03:30:59 2 you -- have you done with respect to the 03:31:03 3 Tourism Company? 03:31:05</p> <p>4 A. Generally cash flow reporting and 03:31:11 5 cash flow workout scenes. 03:31:15</p> <p>6 Q. How long have you been doing work 03:31:26 7 related to the Tourism Company? 03:31:31</p> <p>8 A. It's hard to say specifically. 03:31:40 9 My work with the Commonwealth 03:31:41 10 overlaps with various instrumentalities since I 03:31:43 11 began work at the Commonwealth. 03:31:46</p> <p>12 Q. Did you similarly put together the 03:32:04 13 Flow of Funds for CCDA? 03:32:10</p> <p>14 A. For tourism? Yes. 03:32:17</p> <p>15 Q. Okay. And who at CCDA did you 03:32:20 16 work with? 03:32:23</p> <p>17 UNIDENTIFIED SPEAKER: Objection. 03:32:27 18 BY MS. MILLER: 19 Q. All right. Who, if anybody, did 03:32:30 20 you speak to at CCDA? 03:32:33</p> <p>21 A. We worked with individuals 03:32:35 22 employed by the Tourism Company. 03:32:37</p> <p>23 Q. And why did you speak with people 03:32:43 24 employed by the Tourism Company rather than 03:32:44 CCDA? 03:32:47</p>
<p>415</p> <p>1 Mr. Ahlberg. Do you have an understanding that 03:29:50 2 when I say "CCDA" -- do you have an 03:29:53 3 understanding of what I mean when I say "CCDA"? 03:29:55</p> <p>4 A. Would you please clarify for me? 03:30:03 5 Q. Sure. I think it's the Convention 03:30:06 6 Center Development Authority. 03:30:11</p> <p>7 A. Oh, okay. 03:30:15 8 Q. And when I say "Tourism Company," 03:30:15 9 do you know what I mean? 03:30:19</p> <p>10 A. Yes. 03:30:21 11 Q. Okay. Do you have any -- have you 03:30:21 12 had any involvement in -- sorry. Let me 03:30:24 13 restate it. 03:30:31</p> <p>14 So when I say "CCDA," I mean the 03:30:32 15 Convention Center District Authority. Do you 03:30:35 16 understand that? 03:30:37</p> <p>17 A. Yes. 03:30:38 18 Q. When I say -- sorry, not when I 03:30:38 19 say. 03:30:43</p> <p>20 Have you had any involvement with 03:30:43 21 CCDA in your -- the ordinary course of your 03:30:45 22 work for AAFAF? 03:30:49</p> <p>23 A. No. 03:30:53 24 Q. What about the Tourism Company? 03:30:54 25 A. Yes. 03:30:59</p>	<p>417</p> <p>1 A. Because putting together the Flow 03:32:50 2 of Funds, the Tourism Company individuals and 03:32:53 3 management team were the ones with the 03:32:57 4 requisite knowledge to help develop an accurate 03:32:59 5 Flow of Funds. 03:33:03</p> <p>6 Q. Did you speak to anybody at 03:33:04 7 Treasury about putting together a CCDA Flow of 03:33:05 8 Funds? 03:33:12</p> <p>9 A. I spoke with Treasury about 03:33:12 10 putting together a Flow of Funds for the 03:33:17 11 Tourism Company. 03:33:19</p> <p>12 Q. And who did you speak to at 03:33:19 13 Treasury? 03:33:21</p> <p>14 A. Off the top of my head, I can 03:33:26 15 recall Jeira Belén and Hector Gomez. 03:33:28</p> <p>16 Q. And what did they tell you -- or 03:33:34 17 what did you talk to them about specifically 03:33:35 18 with respect to the Tourism Flow of Funds? 03:33:38</p> <p>19 A. I think it depends on the 03:33:46 20 conversation, that generally our conversations 03:33:47 21 were focused on aligning with the accuracy as 03:33:49 22 presented in the Flow of Funds presentation. 03:33:53</p> <p>23 Q. What do you mean by "aligning with 03:34:01 24 the accuracy as presented in the Flow of Funds 03:34:03 25 presentation"? I don't understand that. 03:34:06</p>

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